

## OVERVIEW SECTION

**AGENCY:** ENVIRONMENTAL PROTECTION AGENCY (EPA)

**TITLE:** National Clean Diesel Campaign Demonstration Assistance Agreements

**ACTION:** Request for Applications (RFA)

**RFA NO:** OAR-CCD-05-14

**CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CDFA) NUMBER:** 66.034

**DATES:** The closing date and time for receipt of Applications is July 1, 2005, 5:00 p.m. EDT. All applications, however transmitted, must be received in the Program Office by the closing date and time to receive consideration.

To allow for efficient management of the competitive process, EPA requests eligible organizations submit an informal notice of "Intent to Apply" by May 27, 2005. Submission of an Intent to Apply is optional; it is a process management tool that will allow the EPA to better anticipate the total staff time required for efficient review, evaluation, and selection of submitted proposals.

**SUMMARY:** This notice announces the availability of funds and solicits proposals from eligible entities for partnership projects that demonstrate the applicability and feasibility of implementation of EPA and/or California Air Resources Board verified (or certified) pollution reduction retrofit technologies in nonroad vehicles and equipment such as those used in construction or port-related activities. Eligible activities include the use of verified pollution control technologies or innovative usages of verified pollution control technologies in nonroad diesel vehicles and equipment in public, tribal or privately owned fleets. Diesel engine/vehicle/equipment replacements or the application of cleaner fuels are also eligible. School bus projects have a separate, dedicated funding opportunity and are not eligible under this competition.

**FUNDING/AWARDS:** The total funding for this competitive opportunity is estimated to be \$800,000. EPA anticipates award of 8-12 cooperative agreements, ranging in value from \$50,000-\$150,000 with a maximum funding level of \$200,000 per award.

### CONTENTS BY SECTION:

- I. Funding Opportunity Description
- II. Award Information
- III. Eligibility Information
- IV. Application and Submission Information
- V. Application Review Information
- VI. Award Administration Information
- VII. Agency Contacts
- VIII. Other Information

## **I. FUNDING OPPORTUNITY DESCRIPTION**

### **A. Background**

Reducing emissions from diesel engines is one of the most important air quality challenges facing the country. Even with more stringent heavy-duty highway and nonroad engine standards set to take effect over the next decade, millions of diesel engines already in use will continue to emit large amounts of nitrogen oxides, particulate matter and air toxics, which contribute to serious public health problems. These problems are manifested by thousands of instances of premature mortality, hundreds of thousands of asthma attacks, millions of lost work days, and numerous other health impacts.

EPA's National Clean Diesel Campaign (NCDC) encompasses regulatory standards for engines and voluntary efforts aimed at reducing emissions from the more than 11 million diesel engines in the nation's existing fleet. EPA has outlined five sectors for obtaining significant emissions reduction in today's fleet. These sectors are school buses, ports, construction, freight, and agriculture. This Request for Applications is part of the Clean Construction and Clean Ports USA sectors' effort to assist the users of nonroad vehicles and equipment in overcoming barriers to the adoption of cleaner diesel technologies and strategies.

The EPA and the California Air Resources Board (CARB) have established verification processes for emissions control technologies that review, test, and approve the emission reduction potential of various pollution control technologies that can be installed on existing diesel vehicles and engines. A list of EPA and CARB verified technologies can be found on each agency's website.<sup>1</sup>

EPA recognizes that vehicle and equipment operators may encounter a variety of obstacles as they work to implement successful retrofit and replacement projects given that the applications and operating conditions of retrofit strategies can vary widely. In addition, the agency is aware that currently there are limited proven technological options for nonroad vehicles and equipment. This Request for Applications aims to promote demonstration projects that foster increased use of retrofit approaches and engine/vehicle/equipment replacements by providing financial and technical assistance to demonstrate the innovative use of certified or verified technologies in new applications and under a variety of operating conditions. These projects will serve as case studies for public and private entities considering retrofit strategies for nonroad diesel vehicles and equipment and will expand the scope and breadth of EPA's efforts to reduce pollution from a greater number of the existing diesel fleets.

Demonstrations generally must involve **new or experimental** technologies, methods, or approaches, where the results of the project will be disseminated so that others can benefit from the

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<sup>1</sup> Information on EPA's program and a list of verified technologies can be found at: <http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm> and information on CARB's verification program and be accessed at: <http://www.arb.ca.gov/diesel/verdev/verdev.htm>

knowledge gained in the demonstration project. A project that is accomplished through the performance of routine, traditional, or established practices, or a project that is simply intended to carry out a task rather than transfer information or advance the state of knowledge, however worthwhile the project might be, is not a demonstration.

For examples of demonstration projects involving the reduction of heavy-duty diesel emissions that EPA approved in 2004, see EPA's National Clean Diesel Campaign's Grants and Funding page: (<http://www.epa.gov/cleandiesel/grantfund.htm>)

## **B. EPA Strategic Plan Linkage and Anticipated Outcomes/Outputs.**

1. **Linkage to EPA Strategic Plan<sup>2</sup>.** This project supports progress towards EPA Strategic Plan Goal 1 (Clean Air and Global Climate Change) and Objective 1.1 (Healthier Outdoor Air). The following Sub-Objectives also apply: 1.1.1 (More People Breathing Cleaner Air) and 1.1.2 (Reduce Risk from Toxic Air Pollutants).
2. **Outcomes.** Through this program, EPA anticipates significant reductions in nitrogen oxides, sulfur oxides, and air toxics as well other diesel pollutants. Reductions in pollution emissions are intermediate outcomes to measure progress toward improved ambient air quality and reduced mortality and morbidity from air pollution.
3. **Outputs.** The anticipated output for this project is reduced emissions from nonroad vehicles and equipment. In addition to the specific emissions reductions from the projects funded under this opportunity, EPA expects that these projects will encourage additional non-federally funded projects by serving as an example or demonstration of retrofit feasibility and effectiveness to other communities and fleets.

## **C. Scope of Work.**

The purpose of this solicitation is to fund demonstration projects that will show the feasibility of retrofit technologies and demonstrate the reduction of diesel emissions from in-use, nonroad vehicles and equipment such as those used in construction and port-related activities through the use of EPA and/or CARB verified (or certified) pollution reduction technologies. Eligible applicants include state, local, multi-state, tribal agencies, universities and non-profit public or private organizations or institutions involved with air quality or health issues. EPA is particularly interested in proposals which address the following elements:

*Using Verified/Certified Technologies.* Applicants are advised that retrofit and/or replacement technologies must be verified or certified technologies through EPA's verification program or EPA certification program or by CARB. A list of EPA verified technologies is available at <http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm>. CARB verified technologies may be found at <http://www.arb.ca.gov/diesel/verdev/verdev.htm>.

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<sup>2</sup> EPA's Strategic Plan can be found at: <http://www.epa.gov/ocfopage/plan/2003sp.pdf>.

*Innovative Approaches.* EPA is seeking innovative proposals that can demonstrate the use of EPA or CARB verified or certified retrofit technologies (or the innovative use of those technologies in non-verified applications), engine/vehicle/equipment replacements and/or cleaner fuels, including ultra low sulfur diesel (ULSD), to reduce air pollution from nonroad heavy-duty diesel engines.

*Potential for Widespread Adoption.* Projects should demonstrate applications of retrofit technologies, cleaner fuels or engine/vehicle/equipment replacements that have not yet been widely implemented but have the potential for wider utilization (i.e., on large engine populations). The agency will consider cost effectiveness in its determination of the potential for widespread adoption of an emissions reduction strategy. Applicants should provide a method for calculating the cost effectiveness of their project's emissions reduction.

*Environmental Management Systems (EMS) and other Emissions Reducing Practices and Policies.* EPA encourages the adoption of practices and policies that reduce diesel emissions and other air pollution. Examples include but are not limited to the adoption of an EMS<sup>3</sup> strategy, community-based toxics reduction programs, anti-idling policies, port-related information technology enhancements that have an emissions benefit and construction practices that reduce exposure or production of PM, such as watering or providing crushed stone bases for loading areas, limiting truck entrances and exits and operating vehicles and equipment away from fresh air intakes for buildings. Entities that maintain, adopt, renew an EMS or identify air issues as significant via their EMS, policy, or practice that reduces diesel emissions will be given preferential treatment in the selection process.

*Partnerships.* Applicants should demonstrate a partnership or cooperative relationship with nonroad vehicle and equipment fleets in their jurisdiction (e.g. port authorities, terminal operators, fleet managers, owner-operators, construction companies) to reduce diesel emissions.

#### **D. Retrofit, Replacement and Cleaner Fuels Options**

Strategies to be considered under this program include the retrofit or replacement of existing engines/vehicles/equipment and switching to cleaner fuels in nonroad vehicles and equipment. School bus projects have a separate, dedicated funding opportunity and are not eligible under this competition.

*Retrofit:* After-treatment emissions control technology options include diesel particulate filters, diesel oxidation catalysts, and systems involving crankcase control, among others. It should be noted that diesel particulate filters need to be used in conjunction with ultra-low sulfur diesel fuel. In addition, filters may not be appropriate for all duty cycles or vehicles/equipment. Datalogging of vehicles/equipment will be necessary to assure that filters are an appropriate application for the particular vehicles/equipment; the applicant should provide information about completed datalogging or plans for datalogging and likelihood of success if filters are the chosen technology.

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3 For more information on Environmental Management Systems, see <http://www.epa.gov/ems/index.htm>.

EPA can provide up to 100 percent of the costs for these retrofit technologies and can provide funding assistance for the incremental cost of the cleaner fuel required in many retrofit applications.

*Repowers and Engine Upgrades for Cleaner Emissions:* Repower refers to the removal of an existing engine and its replacement with a newer or cleaner engine. Some engines may be able to be upgraded to cleaner emissions standards using manufacturer recommended upgrades or kits to certified or verified configurations. Repowers and upgrades may include the addition of newer, cleaner technologies, re-calibrations, and/or other parts to reduce the emissions from the engines. For repowers, the engine being replaced must be scrapped, remanufactured by an original engine manufacturer to a cleaner standard or rendered permanently disabled. Drilling a hole in the engine block and manifold while retaining possession of the engine is an acceptable scrapping method. Other methods may be considered. Evidence of appropriate disposal is required in the final report submitted to EPA.

EPA is particularly interested in engine upgrades or repowers that include combined verified improvements which will further reduce emissions, e.g., through the addition of verified retrofit technologies such as a diesel particulate filter, diesel oxidation catalyst or crankcase emission control. Applicants should explain what is being tested and what new information can be learned from this project. Applicants should provide information in their application to show the feasibility of an engine replacement or upgrade strategy, as engine and vehicle/equipment design differences may make some engine replacements or upgrades difficult. Information regarding feasibility could include a letter from an original engine manufacturer and/or their associated service center indicating that the repower or engine upgrade is appropriate for the application. EPA may provide up to 50 percent of the cost of an engine repower or upgrade, and may provide the total cost of verified after-treatment devices. Preference will be given to applications requesting a lower funding percentage.

*Cleaner fuels:* Cleaner fuels include but are not limited to: ultra-low sulfur diesel fuel, biodiesel, compressed natural gas, liquefied natural gas, propane, and emulsions or additives verified by EPA or CARB. EPA may pay for the cost differential between the cleaner fuel and standard diesel fuel.

*Replacement:* Nonroad diesel vehicles and equipment can be replaced under this program with newer, cleaner vehicles and equipment. Replacement projects can include the replacement of diesel vehicles and equipment with hybrid or alternative fuel vehicles/equipment or the replacement of nonroad vehicles/equipment with highway models if the engine's operating cycles make the replacement technically feasible. EPA encourages the replacement of older vehicles and equipment containing engines that were manufactured prior to the implementation of emissions standards. Typically, these "uncontrolled" engines were manufactured prior to 1996. As with engine replacements, proposals must specify how the vehicles/equipment will be disposed.

It is not EPA's intention to fund replacement projects that would have occurred through the normal attrition of vehicles and equipment or to provide funds for expanding a fleet. Therefore, applicants are strongly advised to provide evidence in their applications that the replacement activity would not have occurred without the financial assistance provided by the agency. Supporting

evidence can include verification that the vehicles or equipment being replaced have at least five years of useful life left and fleet characterizations showing fleet age ranges and average turnover rates. In addition, applications must demonstrate that replacement vehicles and equipment will perform the same function of the vehicles and equipment being replaced (e.g. - an excavator digging pipelines is replaced with an excavator that continues to dig pipelines). Typically, replacement vehicles/machines should be the same type of vehicles/machines and horsepower (hp) range as the vehicles/equipment being replaced (e.g. - a 300hp bulldozer is replaced with a 290hp bulldozer). If the applicant can demonstrate an overall air quality benefit, EPA will consider an exception to this condition. An example may include the replacement of one (or two) draglines for an excavator. However, the replacement vehicles and equipment can not serve to expand the fleet into new business and must serve to provide the same functions performed by the original vehicles and equipment.

EPA may pay a range of the percentage of the cost of the cleaner newer vehicles and equipment, with the top of the range between 20 and 45 percent. EPA will favor and rank more competitively proposals where applicants are providing a higher percentage of the cost for the new vehicles and equipment. The application must commit to the condition that the applicant will show evidence to EPA that the old engine from the replaced vehicle or equipment has been scrapped within 90 days of the delivery of the replacement vehicle or machine. This evidence must also be provided to EPA in the final report. “Scrapped” is defined as a permanently disabled engine, no longer suitable for use, such as a hole drilled in the engine block and manifold. Original engines may also be sent to the original engine manufacturer (OEM) for remanufacturing if the OEM will commit to remanufacture the engine to a cleaner standard. Owner/operators of the original vehicle or equipment may retain possession of the scrapped engine and chassis.

#### **E. Supplementary Information.**

Applicants may propose to establish a sub-grant program. A public, non-profit or tribal entity may make an application for multiple nonroad vehicles and equipment such as construction and port-related equipment, either publicly or privately operated. The applicant must indicate a process by which they will award sub-grants to the owner/operators of the vehicles and equipment. Note that letters of support are strongly suggested from possible sub-grantees.

The statutory authority for this action is Clean Air Act, Section 103(b)(3) which authorizes the award of grants for research, investigations, experiments, demonstrations, surveys, and studies related to innovative technology, and their potential effectiveness to improve fuel economy and reduce emissions.

The applicant must commit to an intent to show results, and share that information about their project with other interested parties and the public. This includes the willingness to allow testing and/or evaluation of the technologies by the manufacturer, EPA, or the Agency’s designee. The sharing of this information will be useful for implementing future retrofit projects.

## **II. AWARD INFORMATION**

### **A. What is the amount of funding available?**

Awards in fiscal year 2005 will range up to \$200,000 per award, with an estimated average award of \$50,000 - \$150,000. We anticipate between 8-12 projects.

### **B. What is the project period for awards resulting from this solicitation?**

The estimated project period for awards resulting from this solicitation is October, 2005 through October, 2007.

### **C. How many agreements will EPA award in this competition?**

EPA anticipates awarding between 8 and 12 cooperative agreements, subject to availability of funds and the quality of applications submitted. Applications evaluated but not selected for this funding may be retained for a period of up to six months after the award of selected projects for possible future award under this announcement, subject to the availability of additional funds. EPA reserves the right to make no awards.

### **D. How do cooperative agreements differ from grants?**

Cooperative agreements permit substantial involvement between the EPA Project Officer and the selected applicants in the performance of the work supported. Although EPA will negotiate precise terms and conditions relating to substantial involvement as part of the award process, the anticipated substantial Federal involvement for this project will be:

1. close monitoring of the successful applicant's performance;
2. collaboration during the performance of the scope of work;
3. approving substantive terms of proposed contracts;
4. approving any proposed changes to work plan and/or budget;
5. approving qualifications of key personnel;
6. review and comment on reports prepared under the assistance agreement.

EPA will not select employees or contractors employed by the recipients and the final decision on the content of reports rests with the recipients. Recipients will be given a template by the EPA Project Officer for both quarterly and final reports.

### **E. Can funding be used to acquire services or fund partnerships?**

Yes, provided that procedures for procurement and sub-award or sub-grant procedures contained in 40 CFR Parts 30 or 31, as applicable are followed.

Successful applicants must use a competitive process for obtaining contracts for services and products and conduct cost and price analyses to the extent required by these regulations as well as

any regulations covered by state or local procurement requirements. The regulations also contain limitations on consultant compensation. Applicants are not required to identify contractors or consultants in their application. Moreover, the fact that a successful applicant has named a specific contractor or consultant in the application EPA approves does not relieve it of its obligations to comply with competitive procurement requirements as well as any regulations covered by state or local procurement requirements.

Sub-grants or sub-awards may be used to fund partnerships with non-profit organizations and governmental entities, or to provide financial assistance for reducing nonroad diesel emissions in public, tribal or private fleets. Successful applicants cannot use sub-grants or sub-awards to avoid requirements in EPA grant or cooperative agreement regulations for competitive procurement by using these instruments to acquire commercial services or products to carry out its cooperative agreement. The nature of the transaction between the recipient and the sub-grantee must be consistent with the standards for distinguishing between vendor transactions and sub-recipient assistance under Subpart B Section .210 of [OMB Circular A-133](#)<sup>4</sup> and the definitions of “sub-award” at 40 CFR 30.2(ff) or “sub-grant” at 40 CFR 31.3, as applicable. EPA will not be a party to these transactions.

**F. Will EPA consider partial funding for projects?**

Yes, EPA reserves the right to partially fund proposals/applications by funding discrete activities, portions, or phases of the proposed project. If EPA decides to partially fund the proposal/application, it will do so in a manner that does not prejudice any applicants or affect the basis upon which the proposal/application, or portion thereof, was evaluated and selected for award, and that maintains the integrity of the competition and the evaluation/selection process.

**G. Can applicants awarded funding in previous competitions submit new applications to fund a different project or additional vehicles and equipment?**

Yes, EPA will consider such applications.

**H. Would highway vehicles such as dump trucks that are used in construction applications be considered for funding?**

As a general rule, highway projects are not eligible for funding. However, we will consider highway vehicles such as dump trucks and waste haulers in cases where they are used in construction and port applications.

**I. Are school bus projects eligible under this competitive announcement?**

No. School bus projects have a separate, dedicated funding opportunity and are not eligible under this competition.

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<sup>4</sup> The Office of Management and Budget’s Circular No. A-133 can be found at: <http://www.whitehouse.gov/omb/circulars/a133/a133.html>



### **III. ELIGIBILITY INFORMATION**

#### **A. Eligible Entities**

Proposals will be accepted from state, local, multi-state, and tribal governmental agencies, universities, and non-profit organizations, as defined by [OMB Circular A-122](#)<sup>5</sup>.

Non-profit organization, as defined by OMB Circular A-122, means any corporation, trust, association, cooperative, or other organization which: (1) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (2) is not organized primarily for profit; and (3) uses its net proceeds to maintain, improve, and/or expand its operations. For this purpose, the term "non-profit organization" excludes (i) colleges and universities; (ii) hospitals; (iii) state, local, and federally-recognized Indian tribal governments; and (iv) those non-profit organizations which are excluded from coverage of this Circular in accordance with paragraph 5 of the Circular.

Non-profit organizations described in Section 501(c)(4) of the Internal Revenue Code that engage in lobbying activities as defined in Section 3 of the Lobbying Disclosure Act of 1995 are not eligible to apply.

#### **B. Cost-Sharing or Matching**

Cost-sharing is not required. However, leveraging federal dollars is encouraged and will make an application more competitive. Leveraged funds may be provided in the form of cash or an "in-kind" contribution. An in-kind contribution is the reasonable value of property and services which benefit the project.

### **IV. APPLICATION AND SUBMISSION INFORMATION**

#### **A. How to Obtain an Application Package.**

The complete cooperative agreement application package can be downloaded from EPA's Office of Grants and Debarment website at [http://www.epa.gov/ogd/grants/how\\_to\\_apply.htm](http://www.epa.gov/ogd/grants/how_to_apply.htm). Potential applicants may request a paper copy of the application package by contacting one of the agency contacts listed in Section VII of this announcement.

Please note that only the signed Standard Form 424 "Application for Federal Assistance" (one page) needs to be included in the application, along with the narrative portion of the application (work plan and budget). If the application is selected for funding, the entire grants package will need to be completed.

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<sup>5</sup> The Office of Management and Budget's Circular No. A-122 can be found at: <http://www.whitehouse.gov/omb/circulars/a122/a122.html>

## **B. Where and How to Send in Applications.**

Application packages must be submitted **electronically by the deadline**. Applicants have the option of either submitting an email of the application package directly to [NCDC\\_RFA05@epa.gov](mailto:NCDC_RFA05@epa.gov). or by utilizing <http://www.grants.gov/Apply> (see section F. below). Regardless of which electronic mechanism is utilized, the email must be received no later than 5 p.m. EDT, July 1, 2005.

Note: applicants that do not have access to email should contact Monica Beard-Raymond at 734-214-4047 or Steve Albrink at 202-343-9671 in advance of the deadline to receive a waiver of this requirement and the mailing address. Applications received after the deadline date will not be considered for funding.

If you are submitting your application through the Grants.gov initiative, please see section F below.

**EPA appreciates your attention to the requirement for electronic submittals. Electronic submittals facilitate the review process and also aid in the Agency's mission to limit use of paper.**

## **C. Content and Form of Application Submission.**

1. Applications must contain the following:
  - a. Signed Standard Form 424 (one page)
  - b. Narrative Work Plan following the **required** outline below
  - c. Budget details as outlined in item 3 below

In addition, optional materials such as letters of support from potential sub-awardees or partners and/or a copy of the organization's diesel emissions reduction policy may be included.

2. The narrative, a maximum of 15 pages in length, should follow the outline below. Pages exceeding the maximum length will not be considered. Refer to the criteria below in *Section IV., Selection Criteria*, for more information on how to write your application and what EPA is looking for in the applications.
  - a.) Summary Information:
    - Project Title
    - Applicant Information. Include applicant (organization) name, address, contact person, phone numbers(s), fax and e-mail address.
    - Funding Requested. Specify the amount you are requesting from EPA.
    - Total Project Cost. Specify total cost of the project (EPA funding and cost-share). Identify funding and sources including any in-kind resources.
    - Project Period. Provide beginning and end dates (for planning purposes)

applicants should assume funds will be available in October 2005).

- b.) Describe the fleet in detail. The following information must be provided, or estimated (in the case of applications involving sub-grants):
- Number and type of vehicles and equipment affected by this application,
  - Vehicles and equipment characteristics such as engine model and model year, engine manufacturer, engine family designation<sup>6</sup>, engine size, annual fuel consumption, annual hours of operation and who owns, maintains and operates the vehicles/equipment,
  - A description of the type of work performed by the vehicles/equipment,
  - A description of the population at the location where the vehicles/equipment operate and if any susceptible populations such as children, the elderly and the chronically ill are likely to be affected,
  - A description of the location in which the vehicles/equipment operate,
  - The fleet replacement rate,
  - The type of retrofit technology that may be used.

In the case of applications involving sub-grants, explain how you estimated the fleet information. Describe data sources and how they were used.

- c.) Project Description and Demonstration Plan:
- i) Describe the project in detail: the technology(ies) and/or fuels to be used, the vehicles/equipment to be retrofitted, repowered or replaced, partnerships involved, and a timeline for the project. Include information that shows that the chosen strategy has been researched and will be successful/suitable in the specified application. Include plans for bidding, ordering and installation phases as well as any other events and that impact the overall application. If the technology requires different fuels, specify the plan for acquiring the fuel.
- ii) Discuss how your chosen diesel pollution reduction strategy contributes to the following EPA goals:
- 1.) most beneficial and effective diesel emissions reduction,
  - 2.) innovative or unique demonstration of a verified or certified technology or emissions reduction strategy (repower, replacement),
  - 3.) widespread adoption of diesel reduction strategies.

Present a rationale for how the strategy chosen for this project will contribute to EPA's goals and discuss what environmental results you plan to attain with your project (it is not necessary to calculate PM, NO<sub>x</sub> or other pollutant reductions). Submit a plan for tracking and measuring progress toward achieving the expected outputs and outcomes outlined in Section I. Additionally, talk about the demonstration value of your project. Explain what your project will be testing that is not already common knowledge and

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<sup>6</sup> Information on engine family codes can be found at: <http://www.epa.gov/otaq/retrofit/retrofitfleet.htm>

what new information will this project convey.

- iii) Discuss how your project will be sustained over time and other factors contributing to its likelihood for success.
  - iv) Discuss any policies or practices that your organization either enacted, encourages or requires that demonstrate a commitment to diesel pollution reduction. Indicate if your organization has a community-based toxic reductions program or an Environmental Management System or has committed itself to developing one in the near future. If your organization has an EMS, please indicate whether air quality is identified as a significant issue. Other example practices include idle reduction policies, voluntary use of low sulfur fuels, or operational techniques that reduce diesel emissions.
  - v) As part of the reporting requirements of this cooperative agreement program, EPA requires quarterly updates and a detailed follow-up case study report. The case study should include: summary of project, reductions achieved if applicable, cost analysis, problems, successes, and lessons learned. Discuss how your organization plans to meet these reporting requirements.
  - vi) Include any other information to help the Selection Panel better understand your application.
  - vii) Applicants must submit information relating to the programmatic capability criteria to be evaluated under the ranking factor(s) in section V of the announcement. EPA will consider information provided by the applicant and may consider information from other sources including Agency files. Valuable information regarding programmatic capability include past performance in similar projects, a history of meeting reporting requirements, organizational experience and staff expertise/qualifications and resources.
3. Budget: Prepare a detailed and narrative budget. Indicate the amount of funding being requested from EPA and provide the total cost of project (identify other funding sources including any in-kind resources). Clearly explain how EPA funds will be used as well as how any matching contributions – both financial and in-kind services – will be used. If applicable, describe how leveraged resources will be obtained and the role EPA funding will play in the overall project. The budget should be clearly tied to the narrative work plan so that applicant reviewers can easily discern how costs are related to the overall project. Provide a budget for the following categories:
- 1. Personnel
  - 2. Fringe Benefits
  - 3. Contractual Costs
  - 4. Travel
  - 5. Vehicles/Equipment
  - 6. Supplies

7. Other
8. Total Direct Costs
9. Total Indirect Costs: must include documentation of accepted indirect rate
10. In-kind or financial contributions to the project
11. Total Cost

All application materials must be completed in English. The minimum acceptable font size for application materials, excluding the SF-424, shall be 12 pitch.

#### **D. Submission Dates and Times**

*Intent to Apply:* An informal notice of “Intent to Apply” simply states in the form of email (preferred) or fax that an organization intends to submit an application to be received by the deadline. In order to efficiently manage the selection process, please send an informal “Intent to Apply” by May 27, 2005 to:

Email: NCDC\_RFA05@epa.gov  
FAX: 734-214-4869

Please provide name of the organization, its mailing address, point of contact, phone and fax numbers, and email address. Submitting an “Intent to Apply” does not commit an organization to submit a final application. The “Intent to Apply” is an optional submission; those entities not submitting an “Intent to Apply” are still eligible and may still apply by the deadline.

*Application Due Date:* The deadline for receipt of applications is July 1, 2005 at 5:00pm EDT. Proposals will be considered timely upon receipt, not transmission. Refer to *Section IV, Content and Form of Application Submission*, for detailed instructions on preparing an application. Refer to *Section IV, When and How to Send in Application*, for instructions on submitting an application. Failure to meet requirements for preparing and submitting applications may be grounds for disqualifying an application. Applicants are strongly urged to follow format and submittal instructions.

#### **E. Other Submission Requirements**

Applications must be submitted electronically in Microsoft Word, Word Perfect, or PDF format to: NCDC\_RFA05@epa.gov. The fleet information may be submitted in a Microsoft Excel spreadsheet.

#### **F. Optional Method for Electronic Filing of Applications: Grants.gov**

Applicants have the option of either submitting an email of the application package directly to [NCDC\\_RFA05@epa.gov](mailto:NCDC_RFA05@epa.gov) or by utilizing the Grants.gov initiative. EPA is participating in the Grants.gov initiative that provides the Grant Community a single site to find and apply for grant funding opportunities. Therefore, EPA also encourages applicants to submit their applications electronically through <http://www.grants.gov/Apply>.

If you choose to submit your application electronically utilizing the grants.gov initiative, you must use the electronic application package available at the <http://www.grants.gov/>. In order to view the application package, you will need to download the PureEdge viewer (hyperlink available under “Get Started” then “Get Started Step 2”). You may then access the application package at [https://apply.grants.gov/forms\\_apps\\_idx.html](https://apply.grants.gov/forms_apps_idx.html) using either the CFDA number of 66.034 or Funding Opportunity Number OAR-CCD-05-14. Each synopsis on Grants.gov has a link to Apply Electronically for that opportunity at the bottom of the page.

It is recommended that you “Register to Receive Notification” of announcement updates.

The actual submission of your application must be made by an official representative of your institution who is registered with <http://www.grants.gov/> (most investigators will not be eligible to submit the application). Please see <http://www.grants.gov/>, “Get Started” for further information. The registration process may take a week or longer. Please check with your Sponsored Programs, or equivalent, office to locate your official representative and see if your institution is registered. If your institution is not currently registered, encourage your official representative to begin the process immediately.

The complete application must be transferred to <http://www.grants.gov/> no later than 5:00 p.m. Eastern Daylight Time on the closing date (see “Submission Dates and Times”).

Documents that are attached to the Grants.gov package must be submitted in Adobe Acrobat PDF format to maintain format integrity. Please submit the required documents as described below.

### **Application for Federal Assistance (SF-424)**

1. Complete the form. There are no attachments.

### **Project Narrative Attachment Form**

1. Prepare one document following the outline listed below in the section titled, “**Content and Form of Application Submission**”. Label it “Project Narrative” and submit it as the “Add Mandatory Project Narrative File.”
2. Prepare one document containing all resumes and related current and pending support information, label it Resumes, and submit it as an “Add Optional Project Narrative File.”

### **Budget Narrative Attachment Form**

1. Where possible, prepare one document for your Budget and Budget Justification. Label this document *BudgetandJustification*, and submit it as the “Add Mandatory Budget Narrative.”

2. If you cannot combine your Budget and Budget Justification into one document, prepare one document for each.

a. Label your Budget document *Budget* and submit it as the “Add Mandatory Budget Narrative.”

b. Label the Budget Justification document *BudgetJustification* and submit it as an “Add Optional Budget Narrative” document.

Save your completed application package with two different names before submission to avoid having to re-create the package should you experience submission problems. If you experience submission problems that may result in your application being late, send an email to support@grants.gov and copy the electronic submission support person identified in the announcement.

**V. APPLICATION REVIEW INFORMATION**

**A. Selection Criteria**

Each eligible application will be evaluated according to the criteria set forth below. Applications which are best able to directly and explicitly address these criteria will have a greater likelihood of being selected for award. Each application will be rated under a points system, with a total of 100 points possible.

1. Primary Evaluation Factors (Total – 100 points)

<b>Criterion</b>	<b>Maximum Points per Criterion</b>
<b>Project Description and Implementation Plan:</b> EPA will be evaluating the details of the plan for implementing the project, including the type of technology(ies) and/or fuels chosen, the vehicles to be retrofitted or replaced, and a timeline for each phase of the project. Other information to be evaluated includes whether the chosen strategy has been researched and will be successful/suitable in the specified application, whether the proposal includes a plan for acquiring fuel if cleaner fuel will be used, and whether the timeline includes plans for bid, ordering and installation phases, as well as any other events that impact the overall application.	25

<p><b>Effectiveness, Environmental Results and Anticipated Outcomes/Outputs:</b>  EPA will evaluate whether projects will achieve significant reductions in air emissions, in terms of projected tons of pollutants reduced. Other information which will be evaluated includes an estimate the percentage of emissions reductions of particulate matter, oxides of nitrogen, hydrocarbons and carbon monoxide on a per vehicle/equipment basis (based on usage, technology capability, and remaining life). EPA will also be looking for how effectively the project is employing the most cost effective diesel emissions clean-up strategy(ies). Also examined will be the effectiveness of the applicant’s plan for tracking and measuring progress toward achieving expected outputs and outcomes identified in Section 1 of this announcement.</p>	<p>15</p>
<p><b>Fleet Description:</b> EPA will be evaluating the details of the proposed fleet. If estimations are used in the case of applications for sub-grants, we will be looking for how you estimated the potential fleet. EPA will examine proposals for the following information: fleet purpose (e.g. moving containers, earth excavation), the number of vehicles/machines, the engine manufacturers, engine model and model year, engine size, engine family code, annual fuel consumption or annual hours of operation, fleet replacement rate, and any retrofit fuel cost differential. Also examined will be relationship of the applicant to the fleet (own, lease, contract).</p>	<p>15</p>
<p><b>Programmatic Capability, Likelihood of Success and Partner Support:</b>  <i>Programmatic Capability:</i> EPA will evaluate such factors as the applicant’s:  (i) past performance in successfully completing federally and/or non-federally funded projects similar in size, scope, and relevance to the proposed project,  (ii) history of meeting reporting requirements on prior or current assistance agreements with federal and/or non-federal organizations and submitting acceptable final technical reports, (iii) organizational experience and plan for timely and successfully achieving the objectives of the project, and (iv) staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the project.  <i>Likelihood of Success:</i> EPA will be looking for an explanation about how you will effectively implement a strategy that can be replicated and shared. For innovative or unique applications of technologies, we will be looking for a technical rationale outlining why the technology is suitable in this application and how the project will find and respond to potential issues.  <i>Partner Support:</i> EPA will be examining proposals for letters of support from any participating partners, and fleets managers (public or private) and information on any leveraging funds or in-kind resources that partners will be providing.</p>	<p>15</p>



<p><b>Demonstration Value: Innovative Use and Adoption Potential:</b>  EPA will evaluate whether projects clearly demonstrate how they will provide long-term value to the goal of reducing diesel emissions in nonroad vehicles and equipment such as that used in construction and port operations. This will include whether projects demonstrate novel applications of verified retrofit technologies, cleaner fuels, repowers or vehicle/equipment replacements that have not yet been widely implemented but have the potential for wider adoption. Innovative or unique applications of emissions reduction solutions will be favored, and a technical justification for the technology’s suitability is required. EPA will also examine whether there is information to support claims of a technology’s adoption potential or suitability, cost effectiveness, and attractiveness to owner/operators or fleet managers (operational value, ease of maintenance etc.).</p>	<p>10</p>
<p><b>Financial Participation.</b> Although there is no requirement for cost-sharing or a financial match, applicants proposing a voluntary financial or in-kind commitment of resources will improve their scoring under this criterion. Under this criteria, applicants will be evaluated based on the extent they demonstrate (i) how they will coordinate the use of EPA funding with other Federal and/or non-Federal sources of funds to leverage additional resources to carry out the proposed project(s) and/or (ii) that EPA funding will compliment activities relevant to the proposed project(s) carried out by the applicant with other sources of funds or resources.</p>	<p>10</p>
<p><b>Commitment to Emissions Reduction or Environmental Stewardship:</b>  Applications will be evaluated based on a demonstration that a commitment (or existing effort) to implement policies exists to support retrofit projects by reducing pollution in other ways. Examples include an Environmental Management System, anti-idling/idling reduction policy, port related information technology enhancements that have an emissions benefit, community-based toxic reduction program or other pollution reduction program.</p>	<p>5</p>
<p><b>Impact on Susceptible Populations.</b> Projects will be evaluated on whether they benefit susceptible populations. Susceptible populations include children, the elderly and the chronically ill. Applications will be examined to determine if targeted fleets travel through or operate in areas considered to have susceptible populations and whether they include an estimate of the amount of time (or percentage of time) that proposed vehicles spend in such areas and an explanation how this information was derived. EPA will examine the applications for supporting documentation from federal or nationally recognized private sources (e.g., foundations) indicating the concentration of susceptible populations and whether they include information about the existence of community-based toxics reduction programs in the affected area.</p>	<p>5</p>

## 2. Other Factors

EPA, in evaluating applications, will carefully consider other factors that are designed to ensure geographic equity and vehicle/equipment diversity, as well as a balance between urban and rural, large and small entities, and construction or port related projects. These factors are as follows:

- a. Geographic Dispersion: EPA will attempt to distribute funds throughout the United States.
- b. Air Quality: If the vehicles/equipment operate within an area that has poor air quality, it may have some bearing on the final selections. Poor air quality areas can consist of areas designated (or at risk of future designation) by EPA to be in non-attainment or maintenance for a criteria pollutant, or that have localized air pollution problems. See <http://www.epa.gov/oar/oaqps/greenbk/>
- c. Environmental Justice: EPA will consider whether the project improves the health of communities that are considered low-income, suffer from high rate of asthma, or receive a disproportionate amount of pollution from diesel vehicles.
- d. Technology and Vehicle/Equipment Diversity: EPA will consider whether there is an adequate mix of emission control technologies and applications on vehicles/equipment.
- e. Variety of Vehicle/Equipment Applications: EPA will consider a balance of projects between the construction and ports sectors.

### **B. Review and Selection Process**

Each application will be evaluated by a team chosen to address a full range of air quality matters. The Evaluation Team will base its evaluation solely on the selection criteria disclosed in this notice. *Completed evaluations will be referred to a Selection Committee that is responsible for applying the other factors and determining final selection.*

The Office of Transportation and Air Quality expects to complete the Evaluation/Selection process and make recommendations to EPA's grants office by late Summer or Fall 2005.

At the time of notification, selected entities will be invited to submit a completed and signed full federal grant application package. The complete grants application package can be downloaded at: <http://www.epa.gov/ogd/AppKit/index.htm>.

Assistance agreement competition-related disputes will be resolved in accordance with the dispute resolution procedures published in 70 FR (Federal Register) 3629, 3630 (January 26, 2005) which can be found at <http://a257.g.akamaitech.net/7/257/2422/01jan20051800/edocket.access.gpo.gov/2005/05-1371.htm>. Copies of these procedures may also be requested by contacting the agency contact below.

## **VI. AWARD ADMINISTRATION INFORMATION**

### **A. Award Notices**

Following final selections, all applicants will be notified regarding their application's status.

1. EPA anticipates notification to *successful* applicant(s) will be made via telephone, electronic or postal mail within 15 days of selection. This notification, which advises that the applicant's proposal has been selected and is being recommended for award, is not an authorization to begin performance. The award notice signed by the EPA grants officer is the authorizing document and will be provided through postal mail. At a minimum, this process can take up to 90 days from the date of selection.
2. EPA anticipates notification to *unsuccessful* applicant(s) will be made via electronic or postal mail within 15 days of selection of successful applicants. In either event, the notification will be sent to the original signer of the application.

### **B. Administrative and National Policy Requirements**

1. A listing and description of general EPA Regulations applicable to the award of assistance agreements may be viewed at:  
[http://www.epa.gov/ogd/AppKit/applicable\\_epa\\_regulations\\_and\\_description.htm](http://www.epa.gov/ogd/AppKit/applicable_epa_regulations_and_description.htm).
2. Executive Order 12372, Intergovernmental Review of Federal Programs may be applicable to awards, resulting from this announcement. Applicants *selected* for funding may be required to provide a copy of their proposal to their [State Point of Contact](#) (SPOC) for review, pursuant to Executive Order 12372, Intergovernmental Review of Federal Programs. This review is not required with the Initial Proposal and not all states require such a review.
3. All applicants are required to provide a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number when applying for a Federal grant or cooperative agreement. Applicants can receive a DUNS number, at no cost, by calling the dedicated toll-free DUNS Number request line at 1-866-705-5711, or visiting the D&B website at: <http://www.dnb.com>.
4. Grants and agreements with institutions of higher education are subject to 40 CFR Parts 30 and 40 and OMB circular A-122 for non-profits and A-21 for institutions of higher learning.
5. Programmatic Terms and conditions will be negotiated with the selected recipient.
6. Non-profit organizations recommended for funding will be subject to a pre-award

administrative capability assessment consistent with Sections 8.b, 8.c, and 9.d of EPA Order 5700.8.

### **C. Reporting Requirement**

Quarterly performance reports and a detailed follow-up case-study report will be required. The case-study report should include: a summary of the project, specifications of technologies and fuel used, detailed description of the demonstration fleet, summary of emissions reductions achieved, cost analyses, problems, successes, and lessons learned. The schedule for submission of quarterly reports will be established, by EPA, after award.

While the Agency will negotiate precise terms and conditions relating to substantial involvement as part of the award process, EPA expects to closely monitor the successful applicant(s) performance, collaborate during the performance of the scope of work, approve the substantive terms of proposed contracts, approve the qualifications of key personnel, review and comment on reports prepared under the cooperative agreement, and evaluate the engineering improvements on an EPA demonstration project. EPA will not select employees or contractors employed by the recipient(s) and the final decision on the content of reports rests with the recipient(s).

## **VII. AGENCY CONTACTS**

### **A. Questions/Comments**

Questions or comments must be communicated in writing via regular U.S. mail, facsimile, or electronic mail to the contact person indicated in the section entitled “For Further Information Contact” below. Answers will be posted, bi-weekly, until the closing date of this announcement at the OAR Grants/Funding webpage ([http://www.epa.gov/air/grants\\_funding.html](http://www.epa.gov/air/grants_funding.html)). Questions can be emailed to [NCDC\\_RFA05@epa.gov](mailto:NCDC_RFA05@epa.gov), faxed to (734)214-4869, or mailed to the “Further Information Contact” listed below.

### **B. For Further Information Contact**

Monica Beard-Raymond, US EPA, National Vehicle and Fuel Emissions Laboratory, Certification and Compliance Division, 2000 Traverwood Drive, Ann Arbor, MI 48105. Phone (734) 214-4047; Fax (734) 214-4869; or email [NCDC\\_RFA05@epa.gov](mailto:NCDC_RFA05@epa.gov).

Steve Albrink, US EPA, US EPA Headquarters, Ariel Rios Building, Mail Code 6405J, 1200 Pennsylvania Avenue, N. W., Washington, DC 20460. Phone (202) 343-9671; Fax (202) 343-2804; or email [NCDC\\_RFA05@epa.gov](mailto:NCDC_RFA05@epa.gov).

## **VIII. OTHER INFORMATION**

### **A. Confidential Business Information**

In accordance with 40 CFR 2.203, applicants may claim all or a portion of their application/proposal as confidential business information. EPA will evaluate confidential claims in accordance with 40 CFR Part 2. Applicants must clearly mark applications/proposals or portions of applications/proposals they claim as confidential. If no claim of confidentiality is made, EPA is not required to make the inquiry to the applicant otherwise required by 40 CFR 2.204 (c)(2) prior to disclosure.

### **B. Right to Reject all Proposals**

EPA reserves the right to reject all proposals or applications and make no award as a result of this announcement. EPA further reserves the right to partially fund projects. Applications evaluated but not selected for funding under this initial solicitation, may be retained for a period of up to six months after award of successful projects to be considered in possible future awards subject to availability of additional funding. The EPA Grant Award Officer is the only official that can bind the Agency to the expenditure of funds for selected projects resulting from this announcement.

### **C. Statutory Authority**

The statutory authority for this action is Section 103(b) (3) of the Clean Air Act.