

## **Northeast Diesel Collaborative Emissions Reductions 2007 Request for Proposals (RFP)**

**Agency Name:** U.S. Environmental Protection Agency, Region 1, Office of Ecosystem Protection, and Region 2, Division of Environmental Planning and Protection.

**Funding Opportunity Name:** Northeast Diesel Collaborative Emissions Reductions: Clean School Bus USA and Voluntary Diesel Retrofit Program (NEDC Emission Reductions)

**Announcement Type:** Initial Solicitation

**Funding Opportunity Number:** EPA-R2-NEDC-2007

**Catalog of Financial Domestic Assistance Numbers:**

66.034 - Surveys, Studies, Investigations, Demonstrations and Special Purpose Activities Relating to the Clean Air Act Section 103

66.036 - Clean School Bus USA

**Closing Date:** All proposals must be submitted electronically through Grants.Gov by July 31, 2007, 6:00 PM Eastern Standard Time. If an applicant cannot submit an electronic proposal, they must send a hard copy of their proposal to Faye Blondin, 290 Broadway, 25<sup>th</sup> Floor, New York, New York 10007 (via U.S. Mail, FedEx overnight, 2-day, etc.) postmarked before the closing date and time.

### **Overview**

Reducing emissions from diesel engines is one of the most important air quality challenges facing the country. Diesel emissions account for 6.3 million tons of oxides of nitrogen and 305,000 tons of particulate matter in the national mobile emissions inventory (2004). The emissions are from a variety of onroad and nonroad vehicles, such as school buses and vehicles and equipment used in freight, ports, transit, construction and agriculture. 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 cause thousands of premature deaths, hundreds of thousands of asthma attacks, millions of lost work days, and numerous other health impacts every year.

The Northeast Diesel Collaborative (NEDC) combines the expertise of public and private partners in a coordinated regional initiative to significantly reduce diesel emissions and improve public health in EPA Regions 1 and 2. Through this Request for Proposals the U.S. Environmental Protection Agency Regions 1 and 2, as part of the Northeast Diesel Collaborative, solicit proposals on a competitive basis for cooperative agreements or grants to reduce emissions from existing diesel engines. Emission reductions can be achieved through a variety of strategies including vehicle and engine replacement,

emissions control technologies, cleaner fuels and idling reduction strategies. The NEDC Emissions Reduction RFP derives its funding from two national clean diesel programs of the US Environmental Protection Agency: the Voluntary Diesel Retrofit Program and Clean School Bus USA.

For a more detailed overview of the National Clean Diesel Campaign and Clean School Bus USA, please see [www.epa.gov/cleandiesel](http://www.epa.gov/cleandiesel).

For more information on the Northeast Diesel Collaborative, please see [www.northeastdiesel.org](http://www.northeastdiesel.org).

### **Important Dates**

June 21, 2007—Question and Answer session via teleconference, 1:00 PM – 3:00 PM Eastern Standard Time, call-in number: 866.299.3188. Enter Conference Code: 2126373745. Questions and answers will be posted on the EPA Region 2 website ([www.epa.gov/region02/grants/](http://www.epa.gov/region02/grants/)) by June 25, 2007.

July 31, 2007—Proposal submission deadline.

December 15, 2007—Awards made.

The above dates (other than the July 31, 2007 proposal submission due date) are anticipated dates and may be subject to change.

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# **EPA Regions 1 and 2 Northeast Diesel Collaborative Emissions Reductions 2007 Request for Proposals (RFP)**

Full Text of Announcement

## **I. Funding Opportunity Description**

### **A. Summary**

The U.S. Environmental Protection Agency (EPA) Regions 1 and 2, as part of the Northeast Diesel Collaborative are soliciting proposals for projects to reduce diesel emissions in EPA Regions 1 and 2. The Northeast Diesel Collaborative (NEDC) combines the expertise of public and private partners in a coordinated regional initiative to significantly reduce diesel emissions and improve public health.

NEDC Emission Reductions project funding will be provided in the form of cooperative agreements or grants. Applicants may propose to establish a subaward program. Projects may include a variety of diesel emissions reductions solutions such as: add-on pollution control technology, engine replacement or repower, idle reduction technologies or strategies, and/or cleaner fuel use. All add-on pollution control technology funded through this RFP must be EPA or California Air Resources Board (CARB) verified pollution reduction technology. Cleaner fuel use may include renewable fuel types such as biodiesel. EPA will pay for the cost differential between the cleaner fuel and standard diesel fuel.

The NEDC Emissions Reduction RFP derives its funding from two national clean diesel programs of the US Environmental Protection Agency: the Voluntary Diesel Retrofit Program and Clean School Bus USA.

The Voluntary Diesel Retrofit Program addresses pollution from heavy duty diesel vehicles that are currently used for either onroad or nonroad applications. Funding under this program supports projects that demonstrate the applicability and feasibility of pollution reduction retrofit technologies in onroad and nonroad vehicles and equipment, such as those used in Marine Vessels and Ports, Construction, Locomotives/Rail, or Heavy-Duty Onroad operations. **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 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.

EPA's Clean School Bus USA Program is an outgrowth of EPA's Voluntary Diesel Retrofit Program and focuses exclusively on reducing emissions from school buses. This

national initiative works to minimize children's exposure to diesel exhaust by reducing pollution from school buses. The program has three key elements: 1) reduce school bus idling; 2) retrofit 1991-2006 model year buses with devices that reduce pollution and 3) replace pre-1990 buses/engines with new, clean-technology buses/engines. Funding under this program supports projects that assist school districts in their efforts to reduce pollution from diesel-powered school buses.

Under this RFP, proposals to fund projects must fall under at least one of the following categories to be considered for funding: Marine Vessels and Ports; Construction; Locomotives/Rail; Heavy-Duty Onroad, and/or School Buses. See Section B below for a more detailed description of each category, but please note that Voluntary Diesel Retrofit project proposals and Clean School Bus USA project proposals require separate proposal submissions. While EPA will accept submissions that combine the categories of the Voluntary Diesel Retrofit Program (Marine Vessels and Ports, Construction, Locomotives/Rail, Heavy-Duty Onroad), all proposal packages for Clean School Bus USA projects must be submitted separately from those under the Voluntary Diesel Retrofit Program. Proposal packages that combine Voluntary Diesel Retrofit and Clean School Bus USA proposals will not be considered for funding. Applicants may submit multiple proposals under this announcement.

## **B. *Project Categories***

To be considered for funding, proposals under this announcement must fall under one or more of the Voluntary Diesel Retrofit Program categories 1 – 4 below, or the Clean School Bus USA category 5.

1. Marine Vessels and Ports – Under this category – which includes marine vessels with Category 1, Category 2 or Category 3 marine diesel engines, intermodal transportation including diesel trucks and locomotives, and diesel cargo handling equipment – NEDC encourages proposals that demonstrate:
  - a) the effectiveness of onroad verified control technologies and cleaner fuels in innovative nonroad applications that have the potential to reduce emissions at multiple ports; and/or
  - b) the feasibility of innovative approaches to reducing hoteling emissions.
  
2. Construction – Under this category – which includes construction related equipment or vehicles – NEDC encourages proposals that demonstrate:
  - a) the environmental and practical effectiveness of control equipment such as diesel oxidation catalyst (DOCs) and diesel particulate filters (DPFs) to achieve emissions reductions from nonroad equipment. Controls shall only be used for applications where such controls are not commonly used in practice by the construction sector and there is an evaluative component that addresses potential operational barriers as well as the emissions benefits, allowing this knowledge to be shared with others. Preference will be given for the use of controls for nonroad equipment in projects subject

to the NEPA review process, equivalent state environmental review processes, or major construction projects.

3. Locomotives and Rail – Under this category – which includes long haul or short haul locomotives, passenger trains, switchers, switcher yard equipment or other vehicles at switcher yards – NEDC encourages proposals that demonstrate:
  - a) the effectiveness of reducing emissions at switcher yards;
  - b) the ability to, by innovative means, reduce emissions beyond regulations; and/or
  - c) how to reduce emissions from short-haul locomotives or passenger trains using new technologies or practices.
4. Heavy-Duty Onroad – Under this category – which includes transit, municipal, freight and drayage vehicles – NEDC encourages proposals that demonstrate new or experimental technologies, methods or approaches, where the results of the project will be disseminated so that others can benefit from the knowledge gained in the demonstration project, such as:
  - a) the environmental and practical effectiveness of control equipment such as diesel oxidation catalyst (DOCs) and diesel particulate filters (DPFs) when used in conjunction with biodiesel or biodiesel blends greater than 20 percent; and/or
  - b) the establishment of innovative financing programs to improve fuel efficiency and reduce pollution from freight vehicles.
5. School Buses – Under this category, EPA is accepting proposals for projects relating to voluntary upgrades to diesel school bus fleets. EPA will fund projects for school bus retrofits that use EPA or CARB-verified pollution control technology, and/or bus replacement programs. Technologies for existing buses may include the installation of pollution control technology and engine upgrades. Applicants may also seek funds for new school buses or engines that are EPA-certified to run on compressed natural gas.

**C. *Alignment with EPA’s Strategic Plan***

All proposals must support Goal 1 of EPA’s 2003-2008 Strategic Plan, Clean Air and Global Climate Change; Objective 1.1: Healthier Outdoor Air, which states, “Through 2010...[EPA will]...protect human health and the environment by attaining and maintaining health-based air-quality standards and reducing the risk from toxic air pollutants.” ([www.epa.gov/ocfo/plan/2003sp.pdf](http://www.epa.gov/ocfo/plan/2003sp.pdf)).

Projects funded under this RFP must reduce emissions from diesel vehicles, thereby reducing local and regional air pollution.

**D. *Statutory Authority***

The Voluntary Diesel Retrofit Program is authorized under the Clean Air Act, Section 103, 42 U.S.C. 7403 as amended.

Clean School Bus USA was authorized under the FY 2006 Interior, Environment and Related Agencies Appropriations Act, HR 2631, Public Law 109-54, enacted August 2, 2005, which provided that EPA was to use Fiscal Year 2006 appropriations to fund a cost-shared grant program for the voluntary upgrades of diesel school buses. The Revised Continuing Appropriations Resolution, H.J. Res. 20, Public Law 110-5, enacted February 15, 2007, authorizes EPA to expend Fiscal Year 2007 appropriations for the Clean School Bus USA grant program under the same authorities and conditions as those contained in the agency's Fiscal Year 2006 Appropriation Act.

**E. *Environmental Results: Outputs and Outcomes***

Pursuant to EPA Order 5700.7, “*Environmental Results under EPA Assistance Agreements*,” EPA requires that all grant recipients adequately address environmental outputs and outcomes. Outputs and outcomes differ both in their nature, and in how they are determined.

1. **OUTPUTS:** The term “output” means an environmental activity, effort and/or associated products related to an environmental goal and objective that will be produced or provided over a period of time or by a specified date. Outputs may be *quantitative* or *qualitative* but must be determinable during an assistance agreement funding period. Proposals must include a description of how grant recipients will track progress towards the environmental goal throughout the grant period.

Expected outputs from the projects to be funded under this solicitation may include the following: number of retrofitted school buses, annual pounds or tons of fine particulate matter (PM2.5), nitrogen oxides (NOx), greenhouse gases (GHG) and/or volatile organic compounds (VOCs) reduced, cost effectiveness of project (in \$/ton or \$/lb), and health benefits achieved (health benefits may be measured by numbers of illnesses, health care costs, or missed work/school days avoided).

To estimate some of the anticipated outputs of your proposal, (e.g. pollution reduced), EPA encourages you to use the following tools:

- a) Diesel Emissions Quantifier (<http://cfpub.epa.gov/quantifier/>). This tool should also be used to measure actual outputs during and after project implementation; or
- b) National Mobile Inventory Model ([www.epa.gov/otaq/nmim.htm](http://www.epa.gov/otaq/nmim.htm)). This tool must be used for State Implementation Plan calculations. For technical assistance regarding this tool, please email [mobile@epa.gov](mailto:mobile@epa.gov); or
- c) EPA’s biodiesel calculator ([www.epa.gov/otaq/retrofit/techlist-biodiesel.htm](http://www.epa.gov/otaq/retrofit/techlist-biodiesel.htm)). This tool should be used to quantify emissions reductions for projects that use biodiesel.

If you are unable to use any of these models, please describe your methodology for estimating or determining outputs in detail. Emission reduction estimates and measurements for verified technology should be based on demonstrated emissions reductions and emission factors listed at EPA or CARB's verified technology list. **Pre-retrofit and post-retrofit emissions testing and/or monitoring are not an eligible use of EPA funds under this grant program.**

2. **OUTCOMES:** The term “outcome” means the result, effect or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or programmatic goal or objective. Outcomes may be environmental, behavioral, health-related or programmatic in nature, but must be *quantitative*. They may not necessarily be achievable within an assistance agreement funding period. Proposals must include a description of project outcomes resulting from the project outputs.

Expected outcomes from projects funded under this solicitation may include the following:

- a) Short term outcomes such as increased understanding of the environmental or economic effectiveness of the applied technology; dissemination of the increased knowledge via listserves, websites, journals, and outreach events, and fine-tuned and improved use of the technology.
- b) Medium term outcomes such as widespread adoption of the applied technology in the Northeast; documented emissions reductions from these and other sources of diesel emissions in multiple states (emission reductions should be calculated using Diesel Emissions Quantifier tool); or acceptance of new technology by users and manufacturers.
- c) Long term outcomes such as reductions in the number of children with asthma or documented improved ambient air quality.

## **II. Award Information**

### **A. Amount of Funding Available**

EPA Regions 1 and 2 anticipate awarding a total of approximately \$1,700,000 under this announcement:

- Approximately \$300,000 under the Voluntary Diesel Retrofit Program (CFDA 66.034).
- Approximately \$1,400,000 under the Clean School Bus USA Program (CFDA 66.036).

EPA Regions 1 and 2 anticipate awarding a total of approximately 6 – 12 grants or cooperative agreements under this announcement:

- Under the Voluntary Diesel Retrofit Program, EPA anticipates making 2 - 4 awards ranging from \$50,000 up to \$150,000.

- Under Clean School Bus USA, EPA anticipates making 4 – 8 awards ranging from \$50,000 up to \$300,000.

**B. *Funding Type***

The funding for selected projects will be in the form of a grant or cooperative agreement. A grant is an assistance agreement that is used when the recipient is responsible for project performance with little Agency involvement. A cooperative agreement is an assistance agreement that is used when there is substantial federal involvement with the recipient during the performance of an activity or project. EPA will award cooperative agreements for those projects in which it expects to have substantial technical interaction with the recipient throughout the performance of the project. For such projects, EPA may review and approve project phases, review and approve proposed subawards and contracts, collaborate with the recipient on the scope of work and mode of operation of the project, closely monitor the recipient's performance, approve any proposed changes to work plan and/or budget, approve qualifications of key personnel, and review and comment on reports prepared under the assistance agreement.

**C. *Start Date/Project Duration***

All projects should have an anticipated start date of December 2007. The grants and cooperative agreements funded under this program will have a 2-year project period. It is expected that projects will be completed by December 2009.

**D. *Additional Funding Information***

Funding for these projects is not guaranteed and is subject to the availability of funds and the evaluation of proposals based on the criteria in this announcement.

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

EPA reserves the right to make additional awards under this announcement (after the original award selections are made) if additional funding becomes available. Any additional selections for awards will be made no later than 6 months after the original selection decisions. The additional selections must be made in accordance with the terms of this announcement and EPA policy.

EPA reserves the right to reject all proposals and make no awards under this announcement, or make fewer awards than expected.

EPA Regions 1 and 2 will each make grant awards to the selected projects within each respective Region. If a selected project is bi-regional in scope, the grant will be awarded



by the Region in which a majority of the work will take place, or in which the award recipient is based.

### **III. Eligibility Information**

#### **A. *Who May Apply?***

For Voluntary Diesel Retrofit projects (Marine Vessels and Ports, Construction, Locomotives/Rail, Heavy-Duty Onroad), EPA is soliciting proposals from state and local governments, the District of Columbia, territories and possessions of the United States, federally recognized Indian Tribes and Intertribal Consortia, international organizations, public and private universities and colleges, hospitals, laboratories, and other public or private nonprofit institutions.

For Clean School Bus USA projects, EPA is soliciting proposals from Local and Federally Recognized Indian Tribal Governments, state and local governments (e.g. school districts), and non-profit organizations.

Applicants for either the Voluntary Diesel Retrofit program or Clean School Bus USA may propose to establish a subaward program. The term “subaward” means an award of financial assistance (money or property) made by an EPA assistance agreement recipient to an eligible subrecipient or by a subrecipient to a lower tier subrecipient to carry out activities permitted by the statute authorizing the assistance agreement. Subawards do not include procurement contracts the recipient uses to acquire goods or services for its own use, and certain other transactions such as loans or loan guarantees are not considered subawards. A subrecipient is accountable to the recipient for the use of the funds provided. In the proposal, applicants must indicate a process by which they will grant subawards. Letters of support are strongly suggested from possible subrecipients.

#### **B. *Eligible Activities***

Eligible activities include the use of diesel emission reduction retrofit technologies or replacement of existing diesel engines/vehicles/equipment, idle reduction technologies and strategies and switching to cleaner fuels in onroad and nonroad vehicles and equipment<sup>1</sup>. Applicants may also seek funds for vehicles or engines that are EPA-certified to run on compressed natural gas. All of these options are further described below.

1. Cleaner Fuels: Cleaner fuels include, but are not limited to, ultra-low sulfur diesel fuel (for nonroad vehicles/engines prior to EPA’s mandate), biodiesel, compressed natural gas, liquefied natural gas, propane, and emulsions or additives

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<sup>1</sup> Onroad sources include vehicles used on roads for transportation of passengers and freight. These sources are also sometimes referred to as highway sources. Nonroad sources include vehicles, engines, and equipment used for construction, agriculture, nonroad transportation, recreation, and other purposes. These sources are also sometimes referred to as off-road sources. Within these broad categories, onroad and nonroad sources are further distinguished by size, weight, use and/or horsepower.

verified by EPA or the California Air Resource Board (CARB). Funding available under this program may be used to cover the cost differential between the cleaner fuel and conventional diesel fuel.

2. Retrofit Technologies: A “retrofit” project is defined broadly to include any technology, device, fuel or system that when applied to an existing diesel engine achieves emission reductions beyond that currently required by EPA regulations at the time of the engine’s certification. Eligible retrofit technologies include the following: EPA “verified” emission control technologies (for example, those installed in the exhaust system like oxidation catalysts and particulate matter filters) and CARB “verified” emission control technologies. This funding may cover up to 100% of the costs for these emission reduction technologies. A list of EPA verified technologies is available at [www.epa.gov/otaq/retrofit/retrofittech.htm](http://www.epa.gov/otaq/retrofit/retrofittech.htm). A list of CARB verified technologies is available at [www.arb.ca.gov/diesel/verdev/verifiedtechnologies/cvt.htm](http://www.arb.ca.gov/diesel/verdev/verifiedtechnologies/cvt.htm).
3. Idle Reduction Technologies: An idle reduction project is defined as the installation of a technology or device that (1) is installed on a vehicle or at a location, (2) is designed to provide services (such as heat, air conditioning, or electricity) to vehicles and equipment that would otherwise require the operation of the main drive engine while the vehicle is temporarily parked or remains stationary. This funding may cover up to 100% of the capital costs for the idle reduction technology. For a list of idle reduction technologies, see [www.epa.gov/otaq/smartway/idlingtechnologies.htm](http://www.epa.gov/otaq/smartway/idlingtechnologies.htm). This listing is for informational purposes only. The products listed are not ranked or verified in terms of fuel savings and emission reductions. Idle reduction strategies such as training or signage are eligible costs only when implemented as part of a larger emission reduction project or in conjunction with emission reduction technology.
4. Repowers and Engine Upgrades: 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 reduce their emissions by applying manufacturer recommended upgrades or kits to certified or verified configurations. Repowers and upgrades may include engine replacement for use with a cleaner fuel such as compressed natural gas, re-calibrations, and/or other components and/or the addition of newer, cleaner technologies to reduce the emissions from the engines. 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. This funding will cover up to 50% of the cost of an engine upgrade or repower. Please see the note below for repower and replacement proposals for additional eligibility requirements, such as original engine disposal requirements.
5. Vehicle and Equipment Replacements: Nonroad and onroad diesel vehicles and equipment can be replaced under this program with newer, cleaner vehicles and

equipment that operate on diesel or alternative fuels. Replacement projects can include the replacement of diesel vehicles and equipment with newer, cleaner diesel or hybrid or alternative fuel vehicles/equipment. These projects can also include the replacement of nonroad vehicles/equipment with onroad 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. As with engine replacements, proposals must specify how the vehicles/equipment will be disposed. This funding may cover the incremental costs of new vehicles and equipment. Incremental costs are defined as up to 25% of the cost of the new vehicle or equipment (except for school buses—see provision below). Please see the note below for repower and replacement proposals for additional eligibility requirements, such as original vehicle/equipment disposal requirements.

**Replacements for School Buses:** This funding will cover up to 50% of the cost of a replacement school bus with engines manufactured in model year 2007, 2008, or 2009 that satisfy regulatory requirements for emissions of nitrogen oxides (NOx) and particulate matter (PM) in model year 2010 (PM at 0.01 grams per brake horsepower hour, NOx at 1.8 grams per brake horsepower hour). This funding will cover up to 25% for school buses with engines manufactured in model year 2007 or thereafter that satisfy regulatory requirements for emissions of NOx and PM from school buses manufactured in that model year (PM at 0.01 grams per brake horsepower hour, NOx at 2.5 grams per brake horse power hour).

**NOTE for Repower and Replacement Proposals:** This program funds the early replacement of vehicles, engines and/or equipment. Emission reductions that result from vehicle, engine, or equipment replacements that would have occurred through normal attrition are considered to be the result of normal fleet turnover and are not eligible for funding under this program. The purchase of new vehicles or equipment to expand a fleet is not covered by this program. To be considered a replacement, the purchase of new vehicles, engines, and equipment would need to be accompanied by the scrapping or remanufacturing of old vehicles, engines and equipment.

For repowers and replacements, EPA requires that the engine being replaced must be scrapped, remanufactured by an original engine manufacturer to a cleaner emission standard or rendered permanently disabled (Energy Policy Act of 2005 (EPAAct), Public Law 109-58, enacted August 8, 2005 at Section 791(2)(C)(i-ii)). 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 a final assistance agreement report submitted to EPA.

To be able to apply for this repower and replacement funding, the following statements would apply:

- a) The vehicle, engine, or equipment being replaced will be scrapped, or the replaced engine would be returned to the original engine manufacturer for remanufacturing to a cleaner standard.
- b) The replacement vehicle, engine, or equipment will perform the same function as the vehicle, engine, or equipment that is being replaced (e.g., an excavator used to dig pipelines would be replaced by an excavator that continues to dig pipelines).
- c) The replacement vehicle, engine, or equipment will be of the same type and similar gross vehicle weight rating or horsepower as the vehicle, engine, or equipment being replaced (e.g., a 300 horsepower bulldozer is replaced by a bulldozer of similar horsepower).

NOTE: New emission standards in the onroad sector will affect all 2007 and future model year onroad heavy-duty vehicles and engines. For nonroad engines, new Tier 4 standards will be phased in starting in 2008. Emission reductions from retrofits of post-2007 and post-2008 vehicles, engines and equipment will be considered, if the technologies, devices or systems proposed in the application will achieve emissions reductions beyond that required by EPA regulations at the time of engine certification.

### **C. *Funding Restrictions and Requirements***

EPA grant or cooperative agreement funds may only be used for the purposes set forth in the assistance agreement, and must be consistent with the statutory authority for the award. Grant or cooperative agreement funds may not be used for matching funds for other federal grants, lobbying, or intervention in Federal regulatory or adjudicatory proceedings, and may not be used to sue the Federal government or any other government entity.

All applicants for funding under Clean School Bus USA must contribute (match) a minimum of 5 percent of the total project cost. This matching contribution may be provided in the form of cash or an “in-kind” contribution, and should be described in the proposal submission. An in-kind contribution is the reasonable value of property and services that benefit the project. Matching funds must meet the requirements of EPA’s Uniform Administrative Requirements for Grants and Agreements, 40 CFR 30.23 (for non-profit organizations) or 40 CFR 31.24 (for governmental agencies). Matching funds should be included in block 15b-e of the Standard Form 424 and will become a required part of the project. Clean School Bus USA proposals which do not include a minimum 5 percent recipient matching contribution in the budget will not be reviewed. EPA may waive the 5 percent cost share requirement, in all or in part, for an Insular Area applicant as authorized by the Omnibus Territories Act of 1977, as amended, 48 U.S.C. § 1469a.

Under the Voluntary Diesel Retrofit Program, there is no applicant requirement for a matching contribution.

In addition, under either Clean School Bus USA or the Voluntary Diesel Retrofit Program, EPA strongly encourages the use of leveraged funds to enhance and expand the project. Leveraged funds include any monetary or in-kind contribution above and

beyond any required matching contribution. Applicants should include any written commitments from other organizations for leveraged funds.

**EPA funding under this grant program may not be used for purposes of monitoring or testing emissions – only for the purchase and installation of clean diesel technologies and fuels.** Matching and/or leveraged funds may be used to include a monitoring or testing program as part of the project.

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 federal, state or local procurement requirements. All contracts and the purchase of supplies and equipment must be conducted in a manner providing free and open competition, to the maximum extent practicable. As such, applicants should refrain from mentioning specific technology producers in their proposals. Applicants must ensure that the costs of proposed activities are allowable according to the applicable Office of Management and Budget (OMB) Circular, e.g., OMB Circular A-87 “Cost Principles for State and Local Governments”; OMB Circular A-122 “Cost Principles for Non-Profit Organizations”; and OMB Circular A-21 “Cost Principles for Educational Institutions.” This should be reviewed in conjunction with 40 CFR Parts 30 and 31, as applicable. OMB defines allowable costs as those costs that are “eligible, reasonable, necessary, and allocable.” For a cost to be eligible, the cost must not be prohibited by the statute, and must be incurred during the budget period. Additionally, costs should be judged in context to determine that they are reasonable and necessary and detailed budgets must include appropriate budget categories and funds must be allocated appropriately. Recipients need to ensure that proper documentation is in the file to meet the applicable procurement regulation requirements in 40 CFR Parts 30, 31 and/or State procurement rules. All grant expenditures are subject to audit for the final determination of permissibility of costs.

**D. *Eligibility Screening Requirements: Threshold Criteria***

To be eligible for funding consideration under this announcement, proposals must meet the following threshold criteria. Failure to meet any of the following criteria in the proposal will result in the automatic disqualification of the proposal for funding consideration. Ineligible applicants will be notified within 15 days of the finding that the applicant was not eligible for award consideration based on the threshold criteria.

1. All projects must benefit one or more of the following geographic areas of EPA Regions 1 and 2: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and/or Vermont - including Tribal lands belonging to the federally recognized tribes in these regions, or the territory of the US Virgin Islands, or the Commonwealth of Puerto Rico.
2. Proposals must support Goal 1 of EPA’s Strategic Plan by reducing diesel emissions.

3. Proposals must substantially comply with the submission instructions and requirements set forth in Section IV of this announcement or else they will be rejected. With respect to the proposal narrative, pages in excess of the page limitation will not be reviewed. Proposals postmarked or electronically received by Grants.Gov after the published closing time and date will be returned to the sender without further consideration
4. Proposals to fund projects under this announcement must fall under at least one of the following categories to be considered for funding: Marine Vessels and Ports; Construction; Locomotives/Rail; Heavy-Duty Onroad, and/or School Buses.
5. Applicants requesting funding under both the Voluntary Diesel Retrofit Program and the Clean School Bus USA program must submit a separate proposal package for each program. While EPA will accept proposal packages that combine the categories of the Voluntary Diesel Retrofit Program (marine vessels and ports, locomotives/rail, construction, heavy-duty onroad), all proposals for projects involving school buses must be submitted separately from those for funding under the other categories. Proposal packages that combine Voluntary Diesel Retrofit projects with Clean School Bus USA projects will not be considered for funding.
6. Voluntary Diesel Retrofit Program proposals in which the applicant is requesting assistance funds in excess of \$150,000 or less than \$50,000 will not be reviewed. Clean School Bus USA proposals in which the applicant is requesting assistance funds in excess of \$300,000 or less than \$50,000 will not be reviewed.
7. Clean School Bus USA proposals which do not include a minimum 5 percent recipient cost share (match) in the budget will not be reviewed.
8. Retrofit technologies, engine replacements and cleaner fuels must be verified technologies. Additionally, a Voluntary Diesel Retrofit Program proposal may demonstrate the application of a verified technology in an unverified application.

The EPA and 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. Information on EPA's program and a list of verified technologies can be found at:

[www.epa.gov/otaq/retrofit/retroverifiedlist.htm](http://www.epa.gov/otaq/retrofit/retroverifiedlist.htm) and information on CARB's verification program can be accessed at:  
[www.arb.ca.gov/diesel/verdev/verdev.htm](http://www.arb.ca.gov/diesel/verdev/verdev.htm).

In cases where an applicant would like to use EPA-verified technologies in applications that have not yet been verified, applicants should discuss or explain the reasoning used to determine that the technology will function properly in this application and their rationale for any estimated emissions reductions.

Idle reduction technologies, which are not verified under EPA's programs, are exempt from having to meet the verification requirement.

9. Proposals must not be used for the purposes of routine program implementation; implementation of routine environmental protection or restoration measures; meeting any legal mandate (such as federal, state or local regulations or settlement agreements); land acquisition, or completion of work which was to have been completed under a prior grant or cooperative agreement. (Voluntary or elective emission reduction measures shall not be considered "mandated," regardless of whether the reductions are included in the State Implementation Plan.)

#### **IV. Application and Submission Information**

##### **A. General**

Proposal packages must include the information and forms described below.

Proposal narratives as described below must be limited to **seven pages** including the cover page. Pages in excess of the proposal narrative page limitation will not be reviewed. Attachments for the fleet information and budget sections will not count toward the seven-page proposal narrative page limit. There is no page limit for these two attachments.

All proposals must be formatted for 8 ½" x 11" paper using no smaller than 11 point Times New Roman font with 1" margins as one Microsoft Word, WordPerfect or Adobe Acrobat file.

It is recommended that confidential business information not be included in your proposal (see Section E below).

##### **B. Proposal Package Contents**

1. Proposal Narrative
  - a) Cover Page that includes the following information:
    - i. name of project
    - ii. point of contact (individual and organization name, address, phone number, fax number, e-mail address)
    - iii. proposed funding request
    - iv. proposed leveraged and/or matching funds
    - v. Brief project description that includes:
      - (1) technology and/or innovation that this project will implement
      - (2) regional geographic area/s, communities and/or airsheds affected
      - (3) list of proposed partners

- (4) anticipated outputs of the project, including those described by Section I.E.
- (5) anticipated outcomes of the project, including those described by Section I.E.
- (6) description of the general proposed budget

b) Scope of Work that includes the following information:

Project Description: For Voluntary Diesel Retrofit proposals clearly identify what the project proposes to demonstrate and how this application, method or approach is new, innovative or experimental and important to reducing diesel emissions. For Clean School Bus proposals, clearly describe the proposed technology and implementation strategy. If you propose to establish a subaward program, indicate the process you will use to grant subawards.

Air Quality: An air quality description of the area served by the project (i.e. Is the area in non-attainment for any of the criteria pollutants?); The quantity of air pollution produced by the diesel fleets in the area served by the project (county, state, and regional emission data available on AirData [www.epa.gov/air/data/index.html](http://www.epa.gov/air/data/index.html)); and information on sensitive populations affected by the project and/or how the project will reduce environmental risks to economically-disadvantaged and other populations with disproportionately high and adverse human health or environmental impacts.

Project Goals/Outputs: Specify the project goals and objectives, as well as the environmental activities, efforts, and/or associated work products (outputs) that will be produced during the project. Outputs may be quantitative or qualitative, but proposals must include a description of how you will track progress towards achieving the expected environmental outputs including those identified in Section I.E. Examples of environmental and economic outputs are: anticipated emissions (PM2.5, NOx, GHG and/or VOCs) reduced (in tons or lbs/year); the cost effectiveness (in \$/lb or \$/ton); and, the health or environmental benefits that will be achieved. See Section I.E for methods for quantifying outputs.

Project Benefits /Outcomes: Specify the results, effects, or consequences (outcomes) that will be produced by the project goals and objectives. Outcomes may be environmental, behavioral, health-related or programmatic in nature, but must be quantitative. Please include a description of how you will determine and evaluate the results of your project to demonstrate that you have achieved any short, medium and long-term outcomes as identified in Section I.E. Include a plan for tracking progress towards achieving the expected long term outcomes of the project including those identified in Section I.E.



Project Plan and Partners: List all of the proposed stakeholder groups that will be involved in this project and what role each group will play in the project (e.g. staffing, funding, design and implementation). Please also list all the major stakeholders who will be positively affected by this project and how they will benefit from the project. Include information on the sustainability of the project beyond the grant period. Outline the steps to be taken and the significant milestones to be achieved to complete the project, as well as the estimated schedule of these achievements with dates. This section should also include a discussion of a communication plan for distributing the project results to interested parties. The communication plan should provide information on specific outreach to be conducted, including timelines and results anticipated.

Past Performance: Submit a list of federally funded assistance agreements that your organization performed within the last three years (no more than 5, and preferably EPA agreements), and describe how you documented and/or reported on whether you were making progress towards achieving the expected results (e.g., outputs and outcomes) under those agreements. If you were not making progress, please indicate whether, and how, you documented why not. In evaluating applicants under this factor in Section V, EPA will consider the information provided by the applicant and may also consider other relevant information from other sources, including information from EPA files and from current and prior Federal agency grantors (e.g., to verify and/or supplement the information provided by the applicant). If you have no relevant or available past performance reporting history, please indicate this in the proposal, and you will receive a neutral score for these factors under Section V.

Programmatic Capability: Submit a list of federally funded agreements similar in size, scope and relevance to the proposed project that your organization performed within the last three years (no more than 5, and preferably EPA agreements), and describe how you were technically able to successfully carry out and manage those agreements and your history of meeting the reporting requirements under those agreements including submitting acceptable final technical reports. In evaluating applicants under these factors in Section V, EPA will consider the information provided by the applicant and may also consider other relevant information from other sources, including information from EPA files and from current and prior federal agency grantors (e.g., to verify and/or supplement the information provided by the applicant). If you have no relevant or available past performance or past reporting history, please indicate this in the proposal and you will receive a neutral score for these factors under Section V. In addition, provide information on your organizational experience and plan for timely and successfully achieving the objectives of the proposed project, and your staff

expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project. This can include any information about your organizations commitment to implementing policies that support retrofit projects by reducing pollution in other ways. Examples include an Environmental Management System, anti-idling/idling reduction policy, information technology enhancements that have an emissions benefit, community-based toxic reduction program and/or other pollution reduction program.

The proposal narrative should also include, to the extent not otherwise covered above, any information necessary to address the factors in Section V. Maps, charts or photographs may be provided, but must be included in the proposal narrative and cannot be submitted as separate attachments, and count towards the page limit.

2. Attachments

- a) Fleet Description - Applicants should provide a list or a spreadsheet that includes the following information:
  - i. Number and type of vehicles and equipment affected by this application;
  - ii. Vehicles and equipment characteristics, such as engine model and model year, engine manufacturer; engine family designation; (information on engine family codes can be found at: [www.epa.gov/otaq/retrofit/retrofitfleet.htm](http://www.epa.gov/otaq/retrofit/retrofitfleet.htm)); engine size; annual fuel consumption; average annual miles; annual hours of operation, number of hours spent idling and who owns, maintains and operates the vehicles/equipment;
  - iii. The fleet replacement rate; and
  - iv. The type of retrofit technology you propose to use.
  
- b) Project Budget – Applicants should provide a detailed itemized budget proposal (in addition to Standard Form 424A) using the example below, justifying the expenses for each of the following categories being performed within the grant/project period. Indicate what portion of the cost will be paid by EPA, and what portion will be paid by the applicant or other partners.

Personnel: Indicate salaries and wages, by job title of all individuals who will be supplemented with these funds.

For example:	EPA	Applicant
Fleet Manager @ \$600/wk x 12 wks =	\$7,200	\$0
Project Manager@ \$15/hr x 40 hrs/wk x 12 wks =	\$0	\$7,200
	Total = <u>\$7,200</u>	<u>\$7,200</u>

Fringe Benefits: Indicate all mandated and voluntary benefits to be supplemented with these funds.

For example:	EPA	Applicant
Health Insurance – 1 FTE @ \$35/mos x 12 mos =	\$420	\$0
Dental – 1 FTE @ \$40/mo x 12 mos =	\$480	\$0
Total =	<u>\$900</u>	<u>\$0</u>

Travel: Indicate number of individuals traveling, destination, number of trips, and reason for travel.

For example:	EPA	Applicant
<i>Site Visit to Regional Transportation Warehouse</i>		
Local Travel Mileage - 1000 miles x \$0.36 =	\$0	\$360
<i>Strategic Meeting with co-applicants</i>		
Air Fare for 1 person to Chicago, IL =	\$250	\$0
Per diem for 2 days @ \$40/day for 1 person =	\$80	\$0
Hotel for 1 night for 1 person =	\$75	\$0
Total =	<u>\$405</u>	<u>\$360</u>

Equipment: Identify items to be purchased such as air quality related instruments used in support of work plan objectives. Provide an estimated cost for each item. Make sure you can support your cost estimate. EPA policy defines equipment as items costing \$5,000 or greater. Indicate if your organization's definition differs.

For example:	EPA	Applicant
20 Diesel Particulate Matter Filter @ \$10,000 each=	\$200,000	\$0
Total =	<u>\$200,000</u>	<u>\$0</u>

Supplies: Indicate any items to be purchased that will be used in support of air project workplan objectives.

For example:	EPA	Applicant
50 pamphlets for community members @ \$2 each=	\$0	\$100
Copying and postage costs	\$0	\$100
Total =	<u>\$0</u>	<u>\$200</u>

Contractual: Indicate any proposed contractual items that are reasonable and necessary to carry out the workplan objectives. Examples of contractual items include training from equipment manufacturer, installation of retrofit equipment by third party, etc.

For example:	EPA	Applicant
Mechanic training, 50 mechanics @\$100 each=	\$5,000	\$0
Installation of DOCs, 20 units @ \$75 each=	\$0	\$1,500
Total =	<u>\$5,000</u>	<u>\$1,500</u>

Other: Indicate general (miscellaneous) expenses necessary to carry out the objective stated in the workplan.

For example:	EPA	Applicant
Office needs (postage, phone, fax, etc.) =	\$150	\$150
Office Space @ \$120/mo x 2 mo =	\$240	\$0
Total =	<u>\$390</u>	<u>\$150</u>

Total Direct Charges: Summary of all costs associated with each object-class category.

For example:	EPA	Applicant
Total =	<u>\$29,895</u>	<u>\$9,410</u>

Total Indirect Costs: Organization must provide documentation of a federally approved indirect cost rate (percentage) reflective of proposed project/grant period. Applicant should indicate if organization is in negotiations with appropriate federal agency to obtain a new rate.

For example:	EPA	Applicant
IDC Rate is 10% of total direct charges =	\$3,895	\$0
Total =	<u>\$3,895</u>	<u>\$0</u>

Total Cost: Indicate overall figure of all direct and indirect costs.

For example:	EPA	Applicant
Total Budget =	<u>\$33,790</u>	<u>\$9,410</u>

3. Standard Form 424

The standard application form is the Standard Form (SF)-424, Application for Federal Assistance. The SF 424 requires general information about the applicant and proposed project. This form is available for download at EPA's Office of Grants and Debarment (OGD) web site, [www.epa.gov/ogd](http://www.epa.gov/ogd) or from Grants.Gov.

The Standard Form 424 requires a Dun and Bradstreet Data Universal Numbering System (DUNS) number. The use of the government-wide DUNS number provides a means of identifying entities receiving assistance agreements and their business relationships and assists the agency with statistical reporting of federal assistance agreements. This identifier is used for tracking purposes and to validate address and point of contact information. The DUNS number will supplement other identifiers required by statute or regulation, such as tax identification numbers.

**Organizations can receive a DUNS number in one day, at no cost, by calling the dedicated toll-free DUNS Number request line at 1-866-705- 5711 or online at <http://Fedgov.dnb.com/webform>.**

Standard Form 424 asks for the applicant to indicate if they have sent a copy of the application to the State Single Point of Contact (commonly referred to as the State Clearinghouse). This step is not necessary for a preliminary application, but applicants should know that a final award cannot be made until the State Single Point of Contact office has provided comment or evidence of no comment. States that do not have a Single Point of Contact/Clearinghouse should contact the Regional Grants or Program Office for assistance in fulfilling this obligation.

#### 4. Standard Form 424A

The standard budget request form is the SF-424A, Budget Information for Non-Construction Programs. This form is available for download at EPA's Office of Grants and Debarment (OGD) web site, [www.epa.gov/ogd](http://www.epa.gov/ogd) or from Grants.Gov.

The total amount of federal funding requested for the project period should be shown on line 5(e) and on line 6(k) of SF-424A. If indirect costs are included, the amount of indirect costs should be entered on line 6(j). The indirect cost rate (i.e., a percentage), the base (e.g., personnel costs and fringe benefits), and the amount should also be indicated on line 22. If indirect costs are requested, a copy of the Negotiated Indirect Cost Rate Agreement must be submitted as part of the application package

### C. *Application Instructions*

The closing time and date for applicants to submit a proposal under this announcement is July 31, 2007, 6:00 PM Eastern Standard Time. Proposals submitted through Grants.Gov must be received by Grants.Gov by the closing date and time (6:00 PM Eastern Standard Time). If an applicant cannot submit an electronic proposal, they must send a hard copy of their proposal to Faye Blondin, 290 Broadway, 25<sup>th</sup> Floor, New York, New York 10007 (via U.S. Mail, FedEx overnight, 2-day, etc.) postmarked before the closing date and time.

Regardless of mode of submission, the following forms and documents – prepared as described above in Section IV - are required under this announcement:

- Application for Federal Assistance (SF-424)
- Budget Information for Non-Construction Programs (SF-424A)
- NEDC Emissions Reductions Proposal Narrative
- Attachments for fleet information and project budget

#### 1. Instructions for Mailed Submissions

Proposal packages may be mailed to “2007 NEDC Proposal, c/o Faye Blondin, 290 Broadway - 25<sup>th</sup> Floor, New York, New York 10007.”

## 2. Instructions for Electronic Submissions Using Grants.Gov

With Grants.Gov ([www.grants.gov](http://www.grants.gov)), you will be able to submit your proposal package on line with no hard copy or computer disks.

The electronic submission of your proposal must be made by an official representative of your institution who is registered with Grants.Gov and authorized to sign applications for Federal assistance. For more information, go to Grants.Gov and click on “Get Registered” on the left side of the page. ***Note that the registration process may take a week or longer to complete.*** If your organization is not currently registered with Grants.Gov, please encourage your office to designate an Authorized Organization Representative (AOR) and ask that individual to begin the registration process as soon as possible.

To begin the application process under this funding announcement, go to Grants.Gov and click on the “Apply for Grants” tab on the left side of the page. Then click on “Apply Step 1: Download a Grant Application Package and Instructions” to download the PureEdge viewer and obtain the application package and instructions for applying under this announcement using Grants.Gov. You may retrieve the application package and instructions by entering the Funding Opportunity Number, EPA-R2-NEDC-2007 or the appropriate CFDA number (66.034 or 66.036), in the space provided. Then complete and submit the application package as indicated. You may also be able to access the application package by clicking on the button “How To Apply” at the top right of the synopsis page for this announcement on Grants.Gov (to find the synopsis page, go to Grants.Gov and click on the “Find Grant Opportunities” button on the left side of the page and then go to Search Opportunities, and use the Browse by Agency feature to go to EPA opportunities).

Your organization’s AOR must submit your complete proposal package electronically to EPA through Grants.Gov ([www.grants.gov](http://www.grants.gov)) no later than July 31, 2007, 6:00 PM Eastern Standard Time.

Please submit all proposal materials described below:

- a) Standard Form (SF) 424, Application for Federal Assistance
- b) Standard Form SF 424A, Budget Information for Non-Construction Programs
- c) Proposal Narrative and Attachments

The documents should be readable in either PDF, or Microsoft Word. Please refer to Section IV above for a complete description of the requirements for these documents. There is a page limit for the proposal narrative specified in Section IV.

Documents a) through c) listed above should appear in the “Mandatory Documents” box on the Grants.Gov Grant Application Package page.

For documents a) and b), click on the appropriate form and then click “Open Form” below the box. The fields that must be completed will be highlighted in yellow. Optional fields and completed fields will be displayed in white. If you enter an invalid response or incomplete information in a field, you will receive an error message. When you have finished filling out each form, click “Save.” When you return to the electronic Grant Application Package page, click on the form you just completed, and then click on the box that says, “Move Form to Submission List.” This action will move the document over to the box that says, “Mandatory Completed Documents for Submission.”

For documents under c), you will need to attach electronic files. Prepare your proposal narrative, attachments and project budget as described above in Section IV of the announcement, and save the documents to your computer as a PDF or Microsoft Word file. When you are ready to attach your proposal to the application package, click on “Project Narrative Attachment Form,” and open the form. Click “Add Mandatory Project Narrative File,” and then attach your proposal (previously saved to your computer) using the browse window that appears. You may then click “View Mandatory Project Narrative File” to view it. Enter a brief descriptive title of your project in the space beside “Mandatory Project Narrative File Filename;” the filename should be no more than 40 characters long. If there other attachments that you would like to submit to accompany your proposal, you may click “Add Optional Project Narrative File” and proceed as before. When you have finished attaching the necessary documents, click “Close Form.” When you return to the “Grant Application Package” page, select the “Project Narrative Attachment Form” and click “Move Form to Submission List.” The form should now appear in the box that says, “Mandatory Completed Documents for Submission.”

Once you have finished filling out all of the forms/attachments and they appear in one of the “Completed Documents for Submission” boxes, click the “Save” button that appears at the top of the Web page. It is suggested that you save the document a second time, using a different name, since this will make it easier to submit an amended package later if necessary. Please use the following format when saving your file: “Applicant Name – FY07 NEDC – 1st Submission” or “Applicant Name – FY 07 NEDC – Back-up Submission.” If it becomes necessary to submit an amended package at a later date, then the name of the 2nd submission should be changed to “Applicant Name – FY07 NEDC – 2nd Submission.”

Once your proposal package has been completed and saved, send it to your AOR for submission to EPA through Grants.Gov. Please advise your AOR to close all other software programs before attempting to submit the proposal package through Grants.Gov.

In the “Application Filing Name” box, your AOR should enter your organization’s name (abbreviate where possible), the fiscal year (e.g., FY07), and the grant category (e.g., NEDC). The filing name should not exceed 40 characters. From the “Grant Application Package” page, your AOR may submit the application package by clicking the “Submit” button that appears at the top of the page. The AOR will then be asked to verify the agency and funding opportunity number for which the application package is being submitted. If problems are encountered during the submission process, the AOR should

reboot his/her computer before trying to submit the application package again. (It may be necessary to turn off the computer, not just restart it, before attempting to submit the package again. If the AOR continues to experience submission problems, he/she may contact Grants.Gov for assistance by phone at 1-800-518-4726 or email at [www.grants.gov/help/help.jsp](http://www.grants.gov/help/help.jsp) or contact Faye Blondin at 212-637-3713.

Proposal packages submitted through Grants.Gov will be time/date stamped electronically.

If you have not received a confirmation of receipt from EPA (not from Grants.Gov) within 10 days of the proposal deadline, please contact Faye Blondin at 212-637-3713. Failure to do so may result in your proposal not being reviewed.

**D. *Intergovernmental Review***

Applicants (except for Federally Recognized Indian Tribes and Tribal Consortia) must comply with the Intergovernmental Review Process and/or consultation provisions of Executive Order 12372. EPA's implementing regulations for this Executive Order can be found at 40 CFR §29.1-29.13.

**E. *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 confidentiality 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.

**F. *DUNS***

All applicants applying for funding, including renewal funding, must have a Dun and Bradstreet Universal Data Numbering System (DUNS) number. Applicants who do not already have a DUNS number may find instruction for obtaining one at the following website: [www.grants.gov/applicants/get\\_registered.jsp](http://www.grants.gov/applicants/get_registered.jsp). A DUNS number may also be obtained by calling 1-866-705-5711.

**G. *Proposal/Application Communications and Assistance***

In accordance with EPA's Competition Policy of January 11, 2005 (EPA Order 5700.5A1), EPA staff will not meet with individual applicants to discuss draft proposals, provide informal comments on draft proposals, or provide advice to applicants on how to respond to ranking criteria. Applicants are responsible for the contents of their applications.



EPA will respond to questions in writing from individual applicants regarding threshold eligibility criteria, administrative issues related to the submission of the proposal, and requests for clarification about the announcement. Please submit written questions to Faye Blondin at [blondin.faye@epa.gov](mailto:blondin.faye@epa.gov). Please type “NEDC RFP Question” in the subject line of your email. All questions and answers will be posted to Northeast Diesel Collaborative website ([www.northeastdiesel.org](http://www.northeastdiesel.org)) no later than 7 business days after we receive them.

In addition, EPA will be hosting a Question and Answer session via teleconference on June 21, 2007 from 1:00 PM – 3:00 PM Eastern Standard Time, call-in number: 866.299.3188. Enter Conference Code: 2126373745#. EPA will attempt to answer any appropriate questions in this public forum. All questions and answers from the teleconference will be posted on the Northeast Diesel Collaborative website ([www.northeastdiesel.org](http://www.northeastdiesel.org)) by June 25, 2007 and additional questions and answers will be posted periodically.

## **V. Application Review Information**

### **A. Proposal Evaluation Criteria**

All Clean School Bus USA and Voluntary Diesel Retrofit proposals will be evaluated based on the criteria described below using the corresponding point values listed. Please make sure your proposal addresses each criterion. Voluntary Diesel Retrofit proposals may receive a maximum score of 105 points; Clean School Bus USA proposals may receive a maximum score of 100 points (See Criterion 6).

1. (15 Points) Local or Regional Significance: Under this criterion, applicants will be evaluated based on the extent to which the proposed project:
  - a) advances the goals and priorities of the Northeast Diesel Emission Reduction Program (9 points).
  - b) demonstrates that there is a prospect for extending or replicating the benefits of the project in the future (sustainability) (3 points).
  - c) benefits the local community or, if applicable, multiple towns, cities or states (3 points).
  
2. (10 Points) Air Quality: Under this criterion, applicants will be evaluated based on the extent to which the proposed project area:
  - a) is in nonattainment or maintenance of national ambient air quality standards for a criteria pollutant (2 points).
  - b) has toxic air pollutant concerns (2 points).
  - c) has a high population density (2 points).
  - d) affects an area that is in non-attainment for ozone or PM standards (2 points).
  - e) receives a disproportionate quantity of air pollution from diesel fleets, including truck stops, ports, rail yards, terminals, and distribution centers (2 points).

3. (10 Points) Sensitive Populations/Disproportionate Impacts: Under this criterion, applicants will be evaluated based on the extent to which the proposed project:
  - a) will reduce environmental risks to sensitive populations (5 points).
  - b) will reduce environmental risks to economically-disadvantaged and other populations with disproportionately high and adverse human health or environmental impacts.
  
4. (15 Points) Clearly Defined Outputs and Quantifiable Outcomes: Under this criterion, applicants will be evaluated based on the extent to which the proposed project:
  - a) clearly defines goals or objectives that will result in immediate as well as future diesel emissions reductions that can be estimated (3 points).
  - b) includes methods to be used for determining environmental results (3 points).
  - c) results in health and/or environmental benefits (quantified or qualified) (3 points).
  - d) estimates the anticipated emissions reductions (3 points).
  - e) describes how the applicant will track progress towards achieving the expected outputs and outcomes of the project (3 points).
  
5. (15 Points) Project Plan and Partners: Under this criterion, applicants will be evaluated based on the extent to which the proposed project:
  - a) details a timeline for completion (2 points).
  - b) describes the applicability of the technology (3 points).
  - c) foresees possible challenges or barriers and how they can be overcome (3 points).
  - d) involves partners with clearly defined roles in the project (3 points).
  - e) includes a plan for communicating the purpose and results of the project to the general public as well as other interested stakeholders (4 points).
  
6. (5 Points) Technology Demonstration: Under this criterion, applicants for the Voluntary Diesel Retrofit Program will be evaluated based on the extent to which the proposed project:
  - a) demonstrates the applicability and feasibility of new or experimental technologies, methods or approaches for pollution reduction in eligible onroad and nonroad vehicles and equipment (3 points).
  - b) describes how the results of the project will be disseminated so that others can benefit from the knowledge gained in the demonstration project (2 points).

Note: Applicants for the Clean School Bus USA program will not be evaluated based on this criterion.

7. (15 Points) Past Performance and Programmatic Capability: Under this criterion, applicants will be evaluated based on their ability to successfully complete and manage the proposed project taking into account:
- a) past performance in successfully completing and managing federally funded assistance agreements similar in size, scope, and relevance to the proposed project performed within the last 3 years (2 points).
  - b) history of meeting reporting requirements under federally funded assistance agreements similar in size, scope, and relevance to the proposed project performed within the last 3 years and submitting acceptable final technical reports under those agreements (2 points).
  - c) the extent and quality to which they adequately documented and/or reported on their progress towards achieving the expected results (e.g., outcomes and outputs) under Federal agency assistance agreements performed within the last three years, and if such progress was not being made whether the applicant adequately documented and/or reported why not (2 points).
  - d) organizational experience and plan for timely and successfully achieving the objectives of the proposed project (5 points).
  - e) staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project (4 points).

Note: In evaluating applicants under this criterion, the Agency will consider the information provided by the applicant and may also consider relevant information from other sources including agency files and prior/current grantors (e.g., to verify and/or supplement the information supplied by the applicant). Applicants with no relevant or available past performance or reporting history (items a, b, and c above), will receive a neutral score for those elements of this criterion

8. (15 Points) Cost-effectiveness and Leveraged Resources: Under this criterion, applicants will be evaluated based on the extent to which:
- a) the proposal narrative explains the project budget by category (2 points).
  - b) the applicant has leveraged resources above and beyond any required matching contribution (10 points).
  - c) the applicant estimates the cost-effectiveness of the project (dollars/ton) (3 points).
9. (5 Points) Clear Description of the Target Fleet: Under this criterion, applicants will be evaluated on the extent to which detailed information on the fleet is provided, including the categories described below.
- a) Number and type of vehicles and equipment
  - b) Engine model
  - c) Model year
  - d) Engine manufacturer
  - e) Engine family designation (information on engine family codes can be found at: [www.epa.gov/otaq/retrofit/retrofitfleet.htm](http://www.epa.gov/otaq/retrofit/retrofitfleet.htm))
  - f) Engine size

- g) Annual fuel consumption
- h) Average annual miles /Annual hours of operation including percent of time spent idling
- i) Who owns the vehicles/equipment
- j) Who maintains the vehicles/equipment
- k) Who operates the vehicles/equipment
- l) Fleet replacement rate
- m) Proposed retrofit technology

**B. *Review Procedures/Final Proposal Evaluation***

Staff from a cross section of programs within EPA Regions 1 and 2 will evaluate proposals. Proposals that meet all of the threshold eligibility factors identified in Section III.D will be evaluated by a review panel based on the evaluation criteria listed in Section V of this announcement. The review panel will score and rank proposals using these criteria. The review panel will then provide these rankings to the selection panel. The selection panel will be comprised of Branch Chiefs and Air Division Directors from Regions 1 and 2. The selection panel will make the final funding recommendations based on the review panel rankings and may also take into consideration the following additional factors: 1) the geographic distribution of funds; and 2) the distribution of funds across the priority categories (School Buses, Marine Vessels and Ports, Construction, Locomotives/Rail and Heavy-Duty Onroad.

Reviewers will be required to sign a disclosure of conflict of interest form and will be removed from the review of proposals if an actual or potential conflict of interest (that cannot be mitigated) exists.

**VI. Award Administration Information**

All costs incurred under this program must be allowable under the applicable OMB Cost Circulars. Copies of the circulars can be found at [www.whitehouse.gov/omb/circulars](http://www.whitehouse.gov/omb/circulars) . In certain circumstances costs incurred prior to the grant award may be eligible for reimbursement; however, this does not include any costs associated with responding to this solicitation or in finalizing the application package. If costs are incurred before the award without approval, they are incurred at the applicant's or grantee's own risk.

To the extent required by federal, state, and local laws, successful applicants must abide by the competition requirements for all procurements under grants (this includes contracts for goods and services). Successful applicants must also conduct a price and cost analyses to the extent required by federal, state or local procurement requirements before awarding any contracts.

Nonprofit applicants that are recommended for funding under this announcement may be subject to pre-award administrative capability reviews consistent with Sections 8.b, 8.c, and 9.d of EPA Order 5700.8, 'EPA Policy on Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards' which can be found at

[www.epa.gov/ogd/grants/award/5700\\_8.pdf](http://www.epa.gov/ogd/grants/award/5700_8.pdf). Nonprofit applicants that qualify for funding may, depending on the size of the award, be required to fill out and submit to the Grants Management Office the Administrative Capability Form, with supporting documents, contained in Appendix A of EPA Order 5700.8.

**Disputes:** 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 listed below.

## **VII. Agency Contact**

For additional general information about this Request for Proposals contact: Halida Hatic, EPA Region 1, [hatic.halida@epa.gov](mailto:hatic.halida@epa.gov), 617.918.1680 or: Faye Blondin, EPA Region 2, [blondin.faye@epa.gov](mailto:blondin.faye@epa.gov), 212.637.3713

## **VIII. Other Information**

### **A. *Northeast Diesel Collaborative***

The Northeast Diesel Collaborative (NEDC) combines the expertise of public and private partners in a coordinated regional initiative to significantly reduce diesel emissions and improve public health in the eight northeastern states and Puerto Rico. NEDC regularly updates a list of all current grant opportunities related to diesel in the Northeast at: [www.northeastdiesel.org/funding](http://www.northeastdiesel.org/funding).

### **B. *National Clean Diesel Campaign***

EPA's National Clean Diesel Campaign's grants and funding webpage also has links to current and past grant opportunities related to diesel, including links to EPA's Smartway Transport Partnership, Clean School Bus USA and Community Action for a Renewed Environment (CARE) grants at: [www.epa.gov/cleandiesel/grantfund.htm](http://www.epa.gov/cleandiesel/grantfund.htm).

### **C. *Other EPA Funding Sources***

Please refer to EPA Regions 1 and 2 grant websites for additional grant opportunities as well as Grants.Gov. EPA Region 1's grants website is located at [www.epa.gov/ne/grants/index.html](http://www.epa.gov/ne/grants/index.html). EPA Region 2's grants web site is located at [www.epa.gov/region02/grants](http://www.epa.gov/region02/grants). EPA Headquarters grant information for the Office of Air is located at: [www.epa.gov/air/grants\\_funding.html](http://www.epa.gov/air/grants_funding.html).

**D. *Data Access and Information Release***

The Office of Management and Budget (OMB) Circular A-110 has been revised to provide public access to research data through the Freedom of Information Act (FOIA) under some circumstances. Data that are (1) first produced in a project that is supported in whole or in part with federal funds and (2) cited publicly and officially by a Federal agency in support of an action that has the force and effect of law (i.e., a regulation) may be accessed through FOIA. If such data are requested by the public, the EPA must ask for it, and the grantee must submit it, in accordance with A-110 and EPA regulations at 40 C.F.R. 30.36.