

US EPA ARCHIVE DOCUMENT

AGENCY: ENVIRONMENTAL PROTECTION AGENCY (EPA)

TITLE: Clean Diesel Emerging Technologies Program

ACTION: Request for Proposals (RFP)

RFP Number: EPA-OAR-OTAQ-08-06

CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: NO: 66.039

DATES: The closing date and time for receipt of proposals is **September 21, 2008 4:00 PM Eastern Standard Time**. All hard copies of proposal packages must be received by Jennifer Went by **September 21, 2008 4:00 PM Eastern Standard Time** in order to be considered for funding. Electronic submissions must be submitted via www.Grants.gov by **September 21, 2008, 11:59 PM Eastern Standard Time**. Proposals received after the closing date and time will not be considered for funding. Final applications, including any additional information which is required by statute from the applicant, will be requested from those eligible entities whose proposal has been successfully evaluated and preliminarily recommended for award.

SUMMARY: This notice announces the availability of funds and solicits proposals for diesel emissions reductions projects for the use of and development and commercialization of emerging technologies.

FUNDING/AWARDS: The total estimated funding for this competitive opportunity is approximately \$3 million. EPA anticipates making 2-5 cooperative agreements, ranging from \$200,000 - \$1,000,000, subject to availability of funds and the quality of proposals received.

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I. FUNDING OPPORTUNITY DESCRIPTION

A. Background

The U.S. Environmental Protection Agency (EPA)'s National Clean Diesel Campaign is announcing the availability of funding assistance through the Energy Policy Act of 2005, Public Law 109-58, signed August 8, 2005 (EPAAct 2005). The Diesel Emissions Reduction National Program authorized by Title VII, Subtitle G (Section 792) of the EPAAct 2005 enables EPA to offer cooperative agreements to eligible entities on a competitive basis to fund diesel emission reduction projects throughout the United States. Under the Clean Diesel Emerging Technologies Program, EPA is soliciting proposals for the development and commercialization of emerging technologies that reduce diesel emissions.

The Clean Diesel Emerging Technologies Program is an opportunity to develop and commercialize new, cutting-edge technologies that reduce diesel emissions from existing fleets. Under this solicitation, EPA will provide funding assistance to selected eligible entities to develop and commercialize emerging technologies. An emerging technology is defined, in section 791 of EPAAct 2005, as a technology that is not certified or verified by EPA or the California Air Resources Board (CARB) but for which an approvable application and test plan has been submitted for verification to EPA or CARB. An emerging technology is a device or strategy that reduces emissions from diesel engines or diesel engine powered vehicles or equipment. EPA will list technologies on the National Clean Diesel Campaign's website that qualify as emerging technologies for the purpose of this funding solicitation. Manufacturers with a technology on this Emerging Technology List have received approval of their application and test plan. Fully verified technologies included on EPA or CARB's Verified Technology List may not be used in projects funded through this Request for Proposal (RFP).

Funding will be in the form of cooperative agreements, which must be used to achieve significant reductions in diesel emissions in terms of--(1) tons of pollution reduced; and (2) diesel emissions exposure, particularly from fleets operating in areas designated by the Administrator as poor air quality areas.

Diesel emissions account for about 6.3 million tons of oxides of nitrogen (NOx) and 305,000 tons of particulate matter (PM) in the national mobile emissions inventory (2004). The emissions are from a variety of onroad and nonroad vehicles, such as those used for freight, ports, transit, construction, and agriculture.

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 taking 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 negative health impacts every year.

This RFP solicits proposals for projects to reduce emissions from existing diesel engines through the development and commercialization of emerging technologies. Through this competitive funding opportunity, eligible entities will consult with a manufacturer of an emerging technology and will

install a technology on an appropriate fleet. Through the installation of this emerging technology, the eligible entity will assist the manufacturer with its development by providing the means to capture real world data and gain valuable operating experience with this new technology. The experience gained by the manufacturer here will lead to the commercialization of the emerging technology.

B. Scope of Work

As part of The National Diesel Emissions Reduction Program, the Clean Diesel Emerging Technologies Program addresses pollution from heavy duty diesel vehicles and equipment that are currently used for either onroad or nonroad¹ applications. Eligible vehicles, engines and equipment may include but are not limited to: buses; medium-duty or heavy-duty trucks; marine engines; locomotives; and nonroad engines or vehicles used in: i) construction; ii) handling or cargo (including at a port or airport); iii) agriculture; iv) mining; or v) energy production².

Section 792 (b)(3)(B) of EPA Act 2005 requires that to receive funds under the Emerging Technologies Provisions, a manufacturer, in consultation with an eligible entity, shall submit for verification to the Administrator of EPA or the CARB a test plan for the emerging technology, together with the application. Eligible entities, as defined in section III, shall submit an application for funding assistance and approvable test plan that discusses how the eligible entity, in consultation with the manufacturer of an emerging technology, will assist in the development and commercialization of that technology. Only technologies listed on the Emerging Technologies List may be used under this RFP. Eligible entities must submit a copy of the approved test plan that is on file for verification. The manufacturer may supply a copy of that test plan to the eligible entity.

Eligible entities, in consultation with the technology manufacturer, may propose to conduct testing that will further support the development and in-use operation of emerging technologies. Such test programs may include additional data logging and monitoring of device operation. Additionally periodically measuring emissions with a portable emission measurement system (PEMS) to document emission reduction durability could be proposed to help support verification. All costs associated with testing (and proposed matching funding) must be fully described in the proposal, and the level of funding awarded for testing will be considered in the project eligibility and ranking. The costs of testing will be included in determining the overall cost effectiveness of the project.

Once a technology is selected for use on a cooperative agreement resulting from this announcement, the technology may be used for the entire grant period. Should a technology be removed from the Emerging Technologies list without receiving verification status, that technology is no longer eligible for use on any cooperative agreement.

Eligible entities may not pay a subsidy to a manufacturer of an emerging technology in the form of a subaward.

¹ Highway sources include vehicles used on roads for transportation of passengers and freight. These sources are also sometimes referred to as onroad 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, highway and nonroad sources are further distinguished by size, weight, use and/or horsepower.

² Eligible nonroad engines used for energy production include, but are not limited to, stationary generators and pumps.

In addition to the information described in the Diesel Emissions Reduction Proposal Area listed below, all eligible entities must describe how the proposed project(s) addresses the following programmatic priorities:

- i. Maximize public health benefits;
- ii. Are the most cost-effective;
- iii. Serve areas with high population density; that are poor air quality areas (including nonattainment or maintenance of national ambient air quality standards for a criteria pollutant; Federal Class I areas; or areas with toxic air pollutant concerns); that receive a disproportionate quantity of air pollution from diesel fleets, including truck stops, ports, rail yards, terminals, and distribution centers; or that use a community-based multi-stakeholder collaborative process to reduce toxic emissions;
- iv. Include an emerging technology that has a long expected useful life;
- v. Will maximize the useful life of any emerging technology used or funded by the eligible entity;
- vi. Conserve diesel fuel; and
- vii. Utilize ultra low sulfur diesel fuel (15 parts per million of sulfur content) ahead of EPA's mandate (for nonroad projects).

Diesel Emissions Reduction Proposal Area

Emerging Diesel Emissions Reduction Technologies: An emerging technology is defined as a technology that has not been previously certified or verified by EPA or the California Air Resources Board (CARB) but for which an approvable application and test plan has been submitted for verification. An emerging technology is a device or strategy that reduces emissions such as particulate matter, nitrogen oxides, and other air toxics, from diesel engines or diesel engine powered vehicles or equipment. EPA will list all eligible emerging technologies on EPA's website at <http://www.epa.gov/cleandiesel/prgemerglist.htm>. Only technologies on the Emerging Technology List can qualify for use under this RFP.

Two examples of an emerging technology are a hydraulic hybrid system used in "stop and go" operations or a selective catalytic reduction (SCR) system used in a marine or locomotive application. These are only examples however, and will not be considered emerging technologies without an approvable test plan and application.

C. EPA's Strategic Plan Linkage and Anticipated Outcomes/Outputs

1. Linkage to EPA 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." (<http://www.epa.gov/ocfo/plan/2003sp.pdf>). Projects funded under this RFP must reduce emissions from diesel fleets, thereby reducing local and regional air pollution.

2. 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 measurable during an assistance agreement funding period. Proposals must include a description of how assistance agreement recipients will track and measure progress towards the environmental goal throughout the assistance agreement period.

- Expected **outputs** from the projects to be funded under this solicitation may include but are not limited to the following:
 1. number of retrofitted engines/vehicles/equipment,
 2. pounds or tons of fine particulate matter (PM_{2.5}), nitrogen oxides (NO_x), greenhouse gases (GHG) and/or volatile organic compound (VOCs) reduced, fuel saved, cost effectiveness of project (in \$/ton or \$/lb),
 3. 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 Diesel Emissions Quantifier (Quantifier) found at <http://cfpub.epa.gov/quantifier/view/index.cfm>. Because an emerging technology is not verified, the technology is not listed as an option in the Quantifier. The eligible entity may still use the Quantifier by selecting “Emission Control Device” from the Technology Type dropdown menu, next selecting “Other Emission Control Devices” from the Technology dropdown menu and finally inputting the estimated percent reductions received from the manufacturer in the appropriate fields. Another tool is the National Mobile Inventory Model (<http://www.epa.gov/otaq/nmim.htm>). This tool must be used for State Implementation Plan calculations. For technical assistance regarding the Diesel Emissions Quantifier, please email cleandiesel@epa.gov. For technical assistance regarding the National Mobile Inventory model, please email mobile@epa.gov.

If you are unable to use these models, please describe your methodology for estimating or determining outputs in detail. Emission reduction estimates and measurements should be based on demonstrated emissions reductions in accordance with good engineering judgment, peer reviewed technical papers and EPA or CARB projected performance.

3. 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 but are not limited to the following:

- **Short-term outcomes** such as increased understanding of the environmental or economic effectiveness of the implemented technology; dissemination of the increased knowledge via listserves, websites, journals, and outreach events.
- **Medium-term outcomes** such as adoption of the implemented technology; documented emissions reductions from these and other sources of diesel emissions in multiple states.
- **Long-term outcomes** such as reductions in the number of children with asthma or documented improved ambient air quality.

Projects funded under this RFP must achieve significant reductions in diesel emissions in terms of—(1) tons of pollution reduced; and (2) diesel emissions exposure, particularly from fleets operating in areas designated by the Administrator as poor air quality areas.

D. Supplementary Information

The EPA Act of 2005 provides new diesel emissions reduction grant authority for EPA and authorizes an annual appropriation of up to \$200,000,000 under the Diesel Emissions Reduction portion of the legislation for each of fiscal years 2007 through 2011 to remain available until expended.

II. AWARD INFORMATION

A. What is the amount of funding available?

The total estimated funding expected to be available for awards under this competitive announcement is approximately \$3 million.

B. Partial Funding.

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.

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

EPA anticipates awarding a total of approximately 2-5 cooperative agreements under this announcement ranging in value from approximately \$200,000 - \$1,000,000 subject to the availability of funds and quality of evaluated proposals. In addition, EPA reserves the right to make additional awards under this announcement, consistent with Agency policy, if additional funding becomes available after the original selections. Any additional selections for awards will be made no later than six months from the date of original selection date.

D. What is the project period for awards resulting from this solicitation?

The estimated project period for awards resulting from this solicitation will begin in December 2008. The cooperative agreements funded under this program will have a 2-year project period. It is expected that projects will be completed by December 2010.

E. Funding Type.

The funding for selected projects will be in the form of a cooperative agreement. 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:

- close monitoring of the successful applicant's performance to verify the results proposed by the applicant;
- collaboration during performance of the scope of work;
- approving substantive terms of proposed contracts;
- approving qualifications of key personnel (EPA will not select employees or contractors employed by the award recipient);
- reviewing and commenting on reports prepared under the cooperative agreement (the final decision on the content of reports rests with the recipient).

F. Are there any other funding restrictions or requirements?

Funds may only be used for the purposes set forth in the cooperative agreement, and must be consistent with the statutory authority for the award. 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.

Pursuant to Section 792(d)(2) of the EPA Act of 2005, no funds awarded under this solicitation shall be used to fund the costs of emissions reductions that are mandated under Federal, State or local law. Voluntary or elective emission reduction measures shall not be considered "mandated", regardless of whether the reductions are included in the State Implementation Plan of a State.

Projects using certified engine configurations or fully verified technologies included on EPA or CARB's verified technology list may not be funded through this RFP.

Fueling infrastructure costs are not eligible for funding.

III. ELIGIBILITY INFORMATION**A. Eligible Entities**

Under this solicitation, only the following entities are eligible to apply for assistance, in accordance with Section 791(3) and 792(a) of the EPA Act 2005: A) a regional, State, local, or tribal agency or port authority with jurisdiction over transportation or air quality; and B) a nonprofit organization or institution that— 1) represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or 2) has, as its principal purpose, the promotion of transportation or air quality. City, county, or municipal agencies, school districts, and metropolitan planning organizations (MPOs) that have jurisdiction over transportation or air quality are all eligible entities under this program.

B. Cost-Share or Matching

There is no requirement for a matching contribution from applicants. However, EPA encourages the use of leveraged funds to enhance and expand the project and proposals that leverage resources beyond EPA's funding may receive additional points during the evaluation process. Leveraged funding or other resources need not be for eligible and allowable project costs under the EPA assistance agreement unless the Applicant proposes to provide a voluntary cost share or match. If EPA accepts an offer for a voluntary cost share/match/participation, applicants must meet their matching/sharing/participation commitment as a condition of receiving EPA funding. Applicants may use their own funds or other resources for voluntary match/cost share/participation if the standards at 40 CFR 30.23 or 40 CFR 31.24, as applicable, are met. Only eligible and allowable costs may be used for voluntary matches/cost shares/participation. Other Federal grants may not be used as voluntary matches or cost shares without specific statutory authority (e.g. HUD's Community Development Block Grants).

C. Threshold Eligibility Criteria

These are requirements that if not met by the time of proposal submission will result in elimination of the proposal from consideration for funding. Only proposals from eligible entities (see above) that meet all of these criteria will be evaluated against the ranking factors in Section V of the announcement. Applicants deemed ineligible for funding consideration as a result of the threshold eligibility review will be notified within 15 calendar days of the ineligibility determination.

1. Proposals must support Goal 1 of EPA's 2003-2008 Strategic Plan, *Clean Air and Global Climate Change; Objective 1.1: Healthier Outdoor Air* by reducing diesel emissions.

2. a. Proposals must substantially comply with the proposal submission instructions and requirements set forth in Section IV of this announcement or else they will be rejected. However, where a page limit is expressed in Section IV with respect to the narrative proposal, pages in excess of the page limitation will not be reviewed.

b. In addition, proposals must be received by EPA or received through www.grants.gov, as specified in Section IV of this announcement, on or before the proposal submission deadline published in Section IV of this announcement. Applicants are responsible for ensuring that their proposal reaches the designated person/office specified in Section IV of the announcement by the submission deadline.

c. Proposals received after the submission deadline will be considered late and returned to the sender without further consideration unless the applicant can clearly demonstrate that it was late due to EPA mishandling. For hard copy submissions, where Section IV requires proposal receipt by a specific person/office by the submission deadline, receipt by an agency mailroom is not sufficient. Applicants should confirm receipt of their proposal with

the EPA contact identified in section IV as soon as possible after the submission deadline—failure to do so may result in your proposal not being reviewed.

3. Proposals in which applicant is requesting assistance funded in excess of \$3 million will not be reviewed.
4. Fully verified technologies included on EPA or CARB's verified technology list may not be used in projects funded through this RFP and any such proposals will be rejected.
5. Projects must be for emerging technologies as described in Section I.
6. Proposals in which the applicant does not consult with a manufacturer of an emerging technology will not be reviewed. The applicant must consult with a manufacturer of an emerging technology to receive funds under this Clean Diesel Emerging Technologies Program.
7. Applicants must submit a copy of the approved test plan (that a manufacturer has submitted for verification to EPA or CARB) together with the application.
8. Proposals in which a technology not on the Emerging Technology List is proposed will not be reviewed.

IV. PROPOSAL AND SUBMISSION INFORMATION

A. How to Obtain Application Package

EPA encourages applicants to obtain proposal materials and apply electronically through <http://www.grants.gov>.

Applicants may also download individual grant application forms from EPA's Office of Grants and Debarment website at: http://www.epa.gov/ogd/grants/how_to_apply.htm.

To obtain a hard copy of materials, please send an email or written request to the Agency contact listed in Section VII of this announcement.

B. Form of Proposal Submission

Applicants have the option to submit their proposals in *one of two ways*: 1) Electronically through the www.grants.gov website, or 2) hard copy by express delivery service, hand delivery or U.S. Postal Service. All proposals must be prepared, and include the information as described in Section IV.C below, regardless of mode of transmission.

1. Hard Copy Submission

Because of the unique situation involving U.S. mail screening, **EPA highly recommends that applicants use an express mail option to submit their proposal packages** (SF 424, SF 424A, Narrative Proposal and Applicant Fleet Description Spreadsheet). Please provide one original of the proposal package

(including signed and completed SF 424 and SF 424A forms) --**no binders or spiral binding**--to:

Express and Hand Delivery Address (FedEx, UPS, DHL, etc.)

U.S. Environmental Protection Agency
ATTN: Jennifer Went
1310 L St. NW (Room 347F)
Washington, DC 20005

U.S. Mail Address

U.S. Environmental Protection Agency
Office of Transportation and Air Quality
ATTN: Jennifer Went
MAIL CODE: 6405J
1200 Pennsylvania Ave, NW
Washington DC 20460

2. Electronic Submission (www.Grants.gov)

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

To begin the proposal process under this grant announcement, go to <http://www.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” to download the compatible Adobe viewer and obtain the application package. **To apply through www.grants.gov you must use Adobe Reader applications and download the compatible Adobe Reader version (Adobe Reader applications are available to download for free on the www.grants.gov website. For more information on Adobe Reader please visit the Help section on [grants.gov](http://www.grants.gov) at <http://www.grants.gov/help/help.jsp> or http://www.grants.gov/aboutgrants/program_status.jsp).**

Once you have downloaded the viewer, you may retrieve the application package by entering the Funding Opportunity Number EPA-OAR-OTAQ-08-06, or the CFDA number that applies to the announcement (CFDA 66.039), in the appropriate field. You may also be able to access the proposal package by clicking on the Application button at the top right of the synopsis page for this announcement on

<http://www.grants.gov> (to find the synopsis page, go to <http://www.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 find EPA opportunities).

If you have any questions regarding use of www.grants.gov, please email the www.grants.gov Contact Center at <http://www.grants.gov/help/help.jsp> or call 1-800-518-4726.

Grants.gov Proposal Submission Deadline

Your organization’s AOR (Authorized Representative) *must* submit your complete proposal package as described below, electronically to EPA through www.grants.gov (<http://www.grants.gov>) no later than **11:59 p.m. EST on September 21, 2008**.

Proposal Materials

The following forms and documents are required to be submitted under this announcement:

- I. Application for Federal Assistance (SF-424)
- II. Budget Information for Non-Construction Programs (SF-424A)
- III. Narrative Proposal (as described in Section IV.C. of the announcement)
- IV. Applicant Fleet Description Spreadsheet (as described below)
- V. Test Plan for the Emerging Technology

The proposal package *must* include all of the following materials:

I. Standard Form (SF) 424 – Application for Federal Assistance

Complete the form. There are no attachments. Please be sure to include an organization fax number and email address in Block 5 of the Standard Form SF 424 and also ensure that it is signed and dated.

Please note that the organizational Dun and Bradstreet (D&B) Data Universal Number System (DUNS) number must be included on the SF-424. Organizations may obtain a DUNS number at no cost by calling the toll-free DUNS number request line at 1-866-705-5711.

II. Standard Form SF 424A – Budget Information

Complete the form. There are no attachments.

The total amount of federal funding requested for the project period should be shown on line 5(e) and on line 6(k) in column 1 of SF-424A, the amount of indirect costs should be entered on line 6(j). The indirect cost rate (i.e., a percentage), the indirect cost rate base (e.g., personnel costs and fringe benefits), and the indirect cost amount itself should also be indicated on line 22.

***If selected for award, applicant(s) will be required to submit documentation of their current indirect cost rate that has been negotiated with a cognizant Federal agency.**

III. Narrative Proposal

The document should be readable in PDF or MS Word and consolidated into a single file and be prepared in accordance with Section IV of the announcement.

IV. Applicant Fleet Description Spreadsheet

The Applicant Fleet Description Spreadsheet is an excel file. It is divided into three sections: Company and Project Manager Information, Project Information, and Fleet Information. The purpose of this spreadsheet is to organize and summarize details of the project including specifics about engines, vehicles and/or equipment. For directions on filling out the spreadsheet, read the section titled "READ ME" which is located on the first tab of the excel file. It can be downloaded from the following website <http://www.epa.gov/cleandiesel/grantfund.htm>.

V. Test Plan for the Emerging Technology

The document should be readable in PDF or MS.

****Documents I through III** listed under Proposal Materials above should appear in the "Mandatory Documents" box on the www.grants.gov Grant Application Package page. For Document IV see below.

For documents I and II, 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 document number III, the Narrative Proposal, and document numbers IV and V, the Applicant Fleet Description Spreadsheet and Test Plan for the Emerging Technology, you will need to attach electronic files. Prepare your narrative proposal as described above in Section IV.C of this announcement and save the document to your computer as an MS Word, PDF or WordPerfect file. Prepare your Applicant Fleet Description Spreadsheet as described above and save the document as a Microsoft Excel or Lotus 123

document. When you are ready to attach the narrative 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 narrative 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 file name should be no more than 40 characters long. To attach the Applicant Fleet Description Spreadsheet and Test Plan for the Emerging Technology, click “Add Optional Project Narrative File” and proceed as before. If there are 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 your proposal package has been completed and saved, send it to your Authorized Representative (AOR) for submission to U.S. EPA through www.grants.gov. Please advise your AOR to close all other software programs before attempting to submit the application 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., FY08), and the grant category. 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 <http://www.grants.gov/help/help.jsp>.

Proposal packages submitted thru www.grants.gov will be time/date stamped electronically.

C. Content of Proposal Submission

All proposal submissions, regardless of mode of transmission, must contain a completed and signed SF-424, Application for Federal Assistance, a completed SF-424A, Budget Information—Non-Construction Programs, a Narrative Proposal and an Applicant Fleet Description Spreadsheet.

Narrative Proposal

The Narrative Proposal (1-3 below) cannot exceed a maximum of 10 single-spaced typewritten pages, including the Summary Page. Pages in excess of 10 will not be considered. Supporting materials, such as resumes and letters of support, can be submitted as attachments and are not included in the 10-page limit. The Applicant Fleet Description Spreadsheet and Test Plan for the Emerging Technology are also not included in the page limit.

1. Summary Page

- a. Project Title
- b. Applicant Information. Include applicant (organization) name, address, contact person, phone number, fax and e-mail address.
- c. Funding Requested. Specify the amount you are requesting from EPA.
- d. Total Project Cost. Specify total cost of the project. Identify funding from other sources, including cost share or in-kind resources.
- e. Project period. Provide beginning and ending dates.

2. Narrative Work Plan

****The Narrative must explicitly describe how the proposed project meets the guidelines established in Sections I-III (including the threshold eligibility criteria in Section III.C) of this announcement, and address each of the evaluation criteria set forth in Section V.**

The Work Plan must include the following:

a. Project Summary/Approach: This section shall contain the following components:

- i. A description of the air quality of the area served by the eligible entity;
- ii. The quantity of air pollution produced by the diesel fleets in the area served by the eligible entity;
- iii. A project description, including:
 - a. All emerging technologies proposed to be used or funded by the eligible entity; and
 - b. The means by which the project will achieve a significant reduction in diesel emissions;
- iv. An evaluation of the quantifiable and unquantifiable benefits of the emissions reductions of the proposed project (applicants can use the Diesel Emissions Quantifier tool found at the National Clean Diesel Campaign website at: <http://cfpub.epa.gov/quantifier/view/index.cfm>);
- v. An estimate of proposed project costs and the cost-effectiveness of emission reductions (dollar/ton reduction);
- vi. A description of the age and expected lifetime control of the equipment used or funded by the eligible entity;
- vii. A description of the diesel fuel available in the areas to be served by the eligible entity, including the sulfur content of the fuel;
- viii. Provisions for the monitoring and reporting of the project;
- ix. Information on project partners and their various roles, and leveraged resources;
- x. Information on the sustainability of the project beyond the assistance agreement period; and

b. Programmatic Priorities

Please address how the project meets the programmatic priorities listed below.

- i. Maximize public health benefits;
- ii. Are the most cost-effective;
- iii. Serve in areas with high population density; that are poor air quality areas (including nonattainment or maintenance of national ambient air quality standards for a criteria pollutant; Federal Class I areas; or areas with toxic air pollutant concerns); that receive a disproportionate quantity of air pollution from diesel fleets, including truck stops, ports, rail yards, terminals, and distribution centers; or that use a community-based multi-stakeholder collaborative process to reduce toxic emissions;
- v. Include a retrofitted vehicle or equipment with an emerging technology that has a long expected useful life;
- vi. Will maximize the useful life of any emerging technology used or funded by the eligible entity;
- vii. Conserve diesel fuel; and
- viii. Utilize ultra low sulfur diesel fuel (15 parts per million of sulfur content) ahead of EPA's mandate (for nonroad projects).

c. Past Performance

- i. **Programmatic Capability:** Submit a list federally funded assistance agreements (an assistance agreement is a grant or cooperative agreement and not a contract) similar in size, scope and relevance to the proposed project that your organization performed within the last three years (no more than 5 agreements, and preferably EPA agreements) and describe (i) whether, and how, you were able to successfully complete and manage those agreements and (ii) 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 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 do not have any relevant or available past performance or reporting information, please indicate this in the proposal and you will receive a neutral score for this factor 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/qualification, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project.
- ii. **Reporting on Environmental Results--Outcomes and Outputs:** Submit a list federally funded assistance agreements (an assistance agreement is a grant or cooperative agreement and not a contract) that your organization performed within the last three years (no more than 5 agreements, 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 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 do not have any relevant or available environmental results past performance information, please indicate this in the proposal and you will receive a neutral score for this factor under Section V.

d. Environmental Results—Outcomes and Outputs

Identify the expected quantitative and qualitative outcomes of the project (See Section I), including what measurements will be used to track your progress towards achieving the outcomes and how the results of the project will be evaluated. Identify the expected project outputs and how progress towards achieving the outputs will be tracked and measured.

3. Detailed Budget Narrative

In addition to the SF 424A, please provide specified total costs of the project.

Management Fees: When formulating budgets for proposals/applications, applicants must not include management fees or similar charges in excess of the direct costs and indirect costs at the rate approved by the applicant's cognizant Federal audit agency, or at the rate provided for by the terms of the agreement negotiated with EPA. The term "management fees or similar charges" refers to expenses added to the direct costs in order to accumulate and reserve funds for ongoing business expenses, unforeseen liabilities, or for other similar costs that are not allowable under EPA assistance agreements. Management fees or similar charges may not be used to improve or expand the project funded under this agreement, except to the extent authorized as a direct cost of carrying out the work plan.

4. Applicant Fleet Description Spreadsheet. This is not included in the 10-page limit.

The Applicant Fleet Description Spreadsheet is an excel file. It is divided into three sections: Company and Project Manager Information, Project Information, and Fleet Information. The purpose of this spreadsheet is to organize and summarize details of the project including specifics about engines, vehicles and/or equipment. For directions on filling out the spreadsheet, read the section titled "READ ME" which is located on the first tab of the excel file. It can be downloaded from the following website <http://www.epa.gov/cleandiesel/grantfund.htm>.

5. Optional Attachments. These are not included in the 10-page limit.

- a. Resumes. Provide resumes or curriculum vitae for all principal investigators and any other key personnel.
- b. Support Letters. Specifically indicate how supporting organizations will assist in the project.

D. Contracts and Subawards/Subgrants

1. Can funding be used for the applicant to make subawards/subgrants, acquire contract services, or fund partnerships?

EPA awards funds to one eligible applicant as the recipient even if other eligible entities are named as partners or co-applicants or members of a “coalition” or “consortium.” The recipient is accountable to EPA for the proper expenditure of funds.

If successful applicants intend to use EPA grant funds to purchase goods or services under the grant, such applicants must compete the contracts for those goods and services and conduct cost and price analyses to the extent required by the procurement provisions of 40 CFR Part 30 or 31, as appropriate. The regulations also contain limitations on consultant compensation. **While applicants are not required to identify contractors or consultants in their proposal if they do so it does not relieve the applicant of its obligations to comply with competitive procurement requirements, nor does it guarantee that costs incurred for such contractor/consultant will be eligible under the grant/cooperative agreement. This provision does not affect consultation with manufacturers as mandated by DERA Section 792(b)(3)(B)(ii), provided that there is no transfer of funds between the eligible entity and the manufacturer.** Please note that applicants may not award sole source contracts to consulting, engineering or other firms assisting applicants with the proposal based solely on the firm's role in preparing the proposal.

Successful applicants may award subgrants (also referred to as subawards) of financial assistance to fund partnerships under the EPA grant provided the recipient complies with applicable requirements for subgrants/subawards including those contained in 40 CFR Parts 30 or 31, as appropriate. Subgrants/subawards do not have to be competed; **however, successful applicants cannot use subgrants/subawards to avoid requirements in EPA grant regulations for competitive procurement by using subgrants/subawards to acquire commercial services or products from for-profit organizations.** EPA will not be a party to subgrant/subaward agreements.

2. How will an applicant's proposed subawardees/subgrantees and contractors be considered during the evaluation process described in Section V of the announcement?

Section V of the announcement describes the evaluation criteria and evaluation process that will be used by EPA to make selections under this announcement. During this evaluation, except for those criteria that relate to the applicant's own qualifications, past performance, and reporting history, the review panel will consider, as appropriate and relevant, the qualifications, expertise, and experience of:

- (i) an applicant's named subawardees/subgrantees identified in the proposal if the applicant demonstrates in the proposal that if it receives an award that the subaward/subgrant will be properly awarded consistent with the applicable regulations in 40 CFR Parts 30 or 31. For example, applicants must not use subawards/subgrants to obtain commercial services or products from for profit firms or individual consultants;
- (ii) an applicant's named contractor(s), including consultants, identified in the proposal if the applicant demonstrates in its proposal that the contractor(s) was selected in compliance with the competitive Procurement Standards in 40 CFR Part 30 or 40 CFR 31.36 as appropriate. For example, an applicant must demonstrate that it selected the contractor(s) competitively or that a proper noncompetitive sole-source award

consistent with the regulations will be made to the contractor(s), that efforts were made to provide small and disadvantaged businesses with opportunities to compete, and that some form of cost or price analysis was conducted. EPA may not accept sole source justifications for contracts for services or products that are otherwise readily available in the commercial marketplace.

EPA will not consider the qualifications, experience, and expertise of named subawardees/subgrantees and/or named contractor(s) during the proposal evaluation process unless the applicant complies with these requirements.

E. Submission Dates and Time

The deadline for receipt of hard copy proposal packages is **September 21, 2008, 4:00 PM Eastern Standard Time**. All hard copies of proposal packages must be received by Jennifer Went, **4:00 PM, Eastern Standard Time on September 21, 2008** in order to be considered for funding. Electronic submissions must be submitted via Grants.gov by **September 21, 2008, 11:59 p.m., Eastern Standard Time**. Proposals received after the closing date and time will not be considered for funding.

A final (full) application will be requested only from the eligible entity whose proposal has been preliminarily recommended for award. Additional instructions for final application packages, including requirements for providing any additional information required by law, will be provided when the applicant is notified of the tentative selection.

F. Confidential Business Information

It is recommended that confidential business information (“CBI”) **not** be included in your proposal/application. However, if CBI is included in your proposal/application, it will be handled in accordance with 40 CFR Part 2.203. Applicants must clearly indicate which portion(s) of their proposal/application they are claiming as CBI. EPA will evaluate such claims in accordance with 40 CFR Part 2. If no claim of confidentiality is made, EPA is not required to make the inquiry to the applicant which is otherwise required by 40 CFR Part 2.204(2) prior to disclosure. Note that under 40 CFR 30.36, data produced under an award is subject to the Freedom of Information Act.

G. Pre-Proposal Assistance and Communications

In accordance with EPA's Assistance Agreement Competition Policy (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 content of their proposals.

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 Jennifer

Went at went.jennifer@epa.gov. Please type “Diesel RFP Question” in the subject line of your email.

V. PROPOSAL REVIEW INFORMATION

Only those proposals that meet the threshold criteria in Section III will be evaluated according to the criteria set forth below. Applicants should directly and explicitly address these criteria as part of their proposal submittal. Each proposal will be rated under a points system, with a total of 100 points possible.

A. Evaluation Criteria

Criteria	Points
<p>1. <u>Project Summary/Approach:</u> Under this criterion, the Agency will evaluate the following factors: (i) (15 pts) the extent and quality to which the proposal narrative includes a well-conceived strategy for addressing the requirements in Section I and the Project Summary/Approach requirements in Section IV; (ii) (10 pts) the extent and quality to which the proposal includes a well-conceived, logical strategy for achieving – by the project end date – the anticipated environmental results associated with the proposed project.</p>	25
<p>2. <u>Programmatic Priorities:</u> Under this criterion, the Agency will evaluate the extent and quality to which the proposed project addresses the programmatic priorities stated in Section I and Section IV (Narrative Proposal).</p>	10
<p>3. <u>Past Performance--Programmatic Capability and Reporting on Environmental Results:</u> Under this criterion, the Agency will evaluate the applicant’s technical ability to successfully complete and manage the proposed project taking into account the following factors: (i) (5 pts) the applicant’s past performance in successfully completing and managing federally funded assistance agreements (assistance agreements include Federal grants and cooperative agreements but not Federal contracts) similar in size, scope and relevance to the proposed project performed within the last 3 years, (ii) (3 pts) the applicant’s history of meeting reporting requirements on federally funded assistance agreements (assistance agreements include Federal grants and cooperative agreements but not Federal contracts) 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, and (iii) (2 pts) the applicant’s past performance in documenting and/or reporting on progress towards achieving the expected outcomes and outputs (e.g., results) under federally funded assistance agreements (assistance agreements include Federal grants and cooperative agreements but not Federal contracts) within the last 3 years; and, if such progress was not made whether the documentation and/or reports satisfactorily explained why not. In evaluating applicants under these factors in Section V, EPA will consider the information provided by the applicant and may also consider relevant information from other sources, including information from EPA files and from current and prior</p>	10

<p>Federal agency grantors (e.g., to verify and/or supplement the information provided by the applicant). If you do not have any relevant or available past performance or reporting information, please indicate this in the proposal and you will receive a neutral score for those elements under this factor.</p>	
<p>4. <u>Environmental Results – Outcomes and Outputs:</u> Under this criterion, the Agency will evaluate the effectiveness of the applicant’s plan for tracking and measuring its progress toward achieving expected project outputs and outcomes, including those identified in Section I of this announcement.</p>	15
<p>5. <u>Budget/Resources:</u> (i) (5 pts) Whether the proposed project budget is appropriate to accomplish the proposed goals, objectives, and measurable environmental outcomes, (ii) (5 pts) whether the budget provides an approximation of the percentage of the budget designated for each major activity.</p>	10
<p>6. <u>Clear Description of the Target Fleet:</u> (10 pts) Under this criterion, applicants will be evaluated on the degree to which detailed information on the fleet (vessel(s), vehicle(s) and/or equipment) is provided on the Applicant Fleet Description Spreadsheet and the eligibility of emerging technology for the fleet, described in Section III.</p>	10
<p>7. <u>Leveraging Resources and Partnering:</u> Under this criterion, applicants will be evaluated based on the extent they demonstrate 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 that EPA funding will complement activities relevant to the proposed project(s) carried out by the applicant with other sources of funds or resources. Leveraged funding or other resources need not be for eligible and allowable project costs under the EPA assistance agreement unless the Applicant proposes to provide a voluntary cost share or match. If EPA accepts an offer for a voluntary cost share/match/participation, applicants must meet their matching/sharing/participation commitment as a condition of receiving EPA funding. Applicants may use their own funds or other resources for voluntary match/cost share/participation if the standards at 40 CFR 30.23 or 40 CFR 31.24, as applicable, are met. Only eligible and allowable costs may be used for voluntary matches/cost shares/participation. Other Federal grants may not be used as voluntary matches or cost shares without specific statutory authority (e.g. HUD’s Community Development Block Grants).</p>	15
<p>8. <u>Staff Expertise/Qualifications:</u> (5 pts) Under this criterion, applicants will be evaluated on staff expertise/qualifications, staff knowledge, and resources or the ability to obtain them, to successfully achieve the goals of the proposed project.</p>	5

B. Review and Selection Process

Each proposal will be evaluated by a review team using the evaluation criteria described above. Each proposal will be given a numerical score and will be rank-ordered according to the numerical score. Preliminary funding recommendations will be provided to the Approving Official based on this ranking.

C. Selection Recommendations

Final funding decisions will be made by the Approving Official based on the rankings and preliminary recommendation of the EPA evaluation team. In making the final funding decisions, the Approving Official may also consider programmatic priorities, geographic diversity and the statutory funding allocation [EPA Act of 2005, Section 792 (b)]. Once final decisions have been made a funding recommendation will be developed and forwarded to the EPA Award Official.

VI. AWARD ADMINISTRATION INFORMATION

A. Award Notices

Following evaluation of proposals, all applicants will be notified regarding their status.

Proposal Notifications

1. EPA anticipates notification to the *successful* applicant will be made via telephone, electronic or postal mail by December 21, 2008. The notification will advise the applicant that its Proposal has been successfully evaluated and recommended for award. The notification will be sent to the original signer of the application. The notice shall require submission of a Final Application. (*Refer to Section IV.B, Form of Proposal Submission and Section IV.C Content of Proposal Submission*)

This notification, which advises that the applicant's proposal has been recommended for award, is not an authorization to begin performance. The award offer signed by the EPA Award Official 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 award recommendation.

2. EPA anticipates notification to *unsuccessful* applicant(s) will be made via electronic or postal mail by December 21, 2008. The notification will be sent to the original signer of the application.

B. Administrative and National Policy Requirement

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.

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. *Federally-recognized Tribal governments are not required to comply with this procedure.*

C. DUNS Number

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://Fedgov.dnb.com/webform>.

D. Reporting Requirement

Quarterly progress reports and a detailed final report will be required. Quarterly reports summarizing technical progress, planned activities for next quarter and summary of expenditures are required. The final report shall be submitted to EPA within 90 calendar days of the completion of the period of performance. The final report should include: summary of the project or activity, advances achieved and costs of the project or activity. In addition, the final report shall discuss the problems, successes, and lessons learned from the project or activity that could help overcome structural, organizational or technical obstacles to implementing a similar project elsewhere. The final report should specifically pay special attention to the use of the emerging technology and the successes and lessons learned of applying this technology to the fleet. The schedule for submission of quarterly reports will be established by EPA, after the award.

E. Exchange Network

EPA, states, territories, and tribes are working together to develop the National Environmental Information Exchange Network, a secure, Internet- and standards-based way to support electronic data reporting, sharing, and integration of both regulatory and non-regulatory environmental data. States, tribes and territories exchanging data with each other or with EPA, should make the Exchange Network and the Agency's connection to it, the Central Data Exchange (CDX), the standard way they exchange data and should phase out any legacy methods they have been using. More information on the Exchange Network is available at www.exchangenetwork.net.

F. 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) located on the web at: http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?position=all&page=3629&dbname=2005_register

G. Non-profit Administrative Capability

Non-profit applicants that are recommended for funding under this announcement are subject to pre-award administrative capability reviews consistent with Section 8b, 8c and 9d of EPA Order 5700.8 - Policy on Assessing Capabilities of Non-Profit Applicants for Managing Assistance Awards (http://www.epa.gov/ogd/grants/award/5700_8.pdf). In addition, non-profit 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 Capabilities Form, with supporting documents, contained in Appendix A of EPA Order 5700.8.

VII. AGENCY CONTACTS

For further information, contact:

U.S. Environmental Protection Agency
Office of Transportation and Air Quality
Innovative Strategies Group
Jennifer Went
Phone: 202-343-9302
Fax: 202-343-2803
e-mail: went.jennifer@epa.gov

All questions or comments must be communicated in writing via postal mail, facsimile, or electronic mail to the contact person listed above. Questions and answers will be posted until the closing date of this announcement at the OAR Grants/Funding webpage:
http://www.epa.gov/air/grants_funding.html.