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Notice of Funding Opportunity

Title: Voluntary Airport Low Emissions Program (VALE) – Airports
Website: https://www.faa.gov/airports/environmental/vale/
Funding: Dependent Upon Projects Approved
Dates: Annual Deadline for Pre-Applications: November 1

Summary: VALE improves airport air quality and provides air quality credits for future airport development. Created in 2004, VALE helps airport sponsors meet their state-related air quality responsibilities under the Clean Air Act. Through VALE, airport sponsors can use Airport Improvement Program (AIP) funds and Passenger Facility Charges (PFCs) to finance low emission vehicles, refueling and recharging stations, gate electrification, and other airport air quality improvements. States have the opportunity to realize the environmental and public benefits of early reductions in airport emissions in exchange for granting AERCs to airport sponsors. Further, the VALE program helps all parties and the environment by: Facilitating dialog between airport sponsors and air quality agencies; Expediting the environmental review process for airport projects; and Encouraging better identification and control of airport emission sources. In addition to environmental benefits, the VALE program may also lead to economic benefits for airports. Current evidence suggests that cleaner-burning alternative fuels and AFVs are effective life-cycle investments. The higher capital costs to purchase AFVs are generally offset in a few years by their lower operations and maintenance (O&M) costs. The prevailing view is that the AFV market is constrained primarily by the lack of refueling infrastructure – a need that is addressed by the VALE program.

Project Topic Areas: There are four components of the VALE program:

Eligible Fuels Criteria:

The VALE low-emission standards apply to all eligible fuel types, whether they are AIP eligible (alternative fuels) or PFC-eligible (alternative fuels and clean conventional fuels). For purposes of the PFC program, “clean conventional fuels” are eligible options if they lower vehicle emissions to meet VALE low-emission standards. AIP funding is restricted to alternative fuels only: Electric; Natural gas (CNG, LNG); Propane (LPG); Ethanol 85; Methanol 85; Hydrogen; Coal-derived liquid fuels; Biodiesel (B85 to B100- biofuel); P-Series and Hybrid systems.

Eligible Vehicles Criteria:

Vehicles eligible for the VALE program include airport dedicated on-road or ground access vehicles (GAVs) and many types of GSE to support aeronautical services, airport maintenance, airport security, and other essential airport needs. Airport-dedicated vehicles include most GSE and many on-road vehicles, such as airport parking lot shuttles and buses, airport security vehicles, and airport maintenance vehicles. The following VALE program low-emission standards for new vehicles are intended to produce the greatest emission reductions and associated AERCs. The emission standards are broken down into five vehicle categories, consisting of three standards for on-road vehicles and two standards for non-road vehicles: On-road light duty vehicles and trucks (LDVs and LDTs); On-road medium duty vehicles (MDVs); On-road heavy duty vehicles (HDVs); Non-road spark-ignition (SI) vehicles; and Non-road compression-ignition (CI) vehicles.

Vehicle Retrofit Technology:

Verified retrofit aftermarket technology may be purchased through the VALE program for application on existing airport vehicles. An engine "retrofit" includes, but is not limited to, any of the following activities: Addition of new/better pollution control after-treatment equipment to certified engines; Re-engining or re-powering; Upgrading of certified engines to cleaner certified configurations; Upgrading uncertified engines to cleaner "certified-like" configurations; Conversion of engines to cleaner fuels; and Early replacement of older engines with newer (presumably cleaner) engines (in lieu of regular expected rebuilding).

Infrastructure Project Eligibility:

Eligible infrastructure projects for the VALE program must be designed primarily for airport emission reductions, which include the following: Refueling and Recharging Stations; Gate Electrification; Power

Plants, HVAC Systems, and Generators; Underground Fuel Hydrant Systems; and Public Transit Projects at Airports.

Cost Sharing:
While most VALE program requirements are the same regardless of FAA funding, several eligibility factors depend on whether a project is funded through the Airport Improvement Program (AIP) or by Passenger Facility Charges (PFCs). It is important to consider these funding-related factors on all VALE projects, especially with regard to vehicle acquisition. AIP grants-in-aid are funded through the Federal Airport and Airway Trust Fund, while the revenue-based PFC program is funded by passenger airline ticket fees collected at the time of purchase. Because PFC revenues are considered local revenues, sponsors generally have more flexibility in the use of PFC revenues than AIP grants. This is true in the VALE program also.
The VALE program expands traditional AIP and PFC eligibility guidelines and enables earlier airport planning and implementation of low-emission projects. Because VALE projects are considered an eligible activity within AIP and the PFC program, there is no separate or dedicated VALE program budget. VALE projects are approved and funded on a case-by-case basis according to the project's relative importance in relation to other eligible airport activities. The FAA may approve all, some, or none of the proposed airport low-emission measures based on the availability of funding, project cost effectiveness, regional considerations, and other factors in the AIP and PFC decision process. The FAA may also stipulate modifications to proposed measures as needed.

Project Requirements:
The VALE program requires an AERC Letter of Assurance from the State air quality agency prior to FAA project approval and funding. Therefore, sponsors should discuss their project proposals for reducing emissions with their State air quality agency in advance of developing their formal project application. The State agency can be helpful in a number of ways, beginning with verification of the nonattainment or maintenance status of an airport area. The State air quality agency can also provide information about appropriate emission reduction strategies, available alternative fuels, and examples of similar activities in the State or region. The sponsor must consider which fuel type does the best job of reducing emissions for the area's Level One pollutant(s), minimizing costs, and meeting logistical requirements for safety, handling, and siting. The project proposal main narrative must include: Project Information; Description of Proposed Emission Reduction Measures; Emission Reduction Estimates; Confirmation that Estimated Emission Reductions Meet CAA Criteria; Relationship to State Implementation Plans; Funding Sources; Cost Effectiveness; Vehicle and Equipment Commitments; and Schedule.
The VALE program relies heavily on the expertise of the EPA and DOE to define alternative fuels and to establish "best achievable" low-emission standards for several vehicle categories and weights. Vehicles and engines that are eligible for AIP or PFC funding under the VALE program must either be EPA certified (new vehicles) or EPA verified (retrofit technology). The following are the basic funding requirements on the integrated fuel and low-emissions standards for the program: Alternative fuels that are substantially non-petroleum based (AIP and PFC eligible) to enhance energy security; Clean conventional fuels (PFC eligible only); and Best achievable low-emission standards for program vehicles and eligible fuels (AIP and PFC).

Eligibility:
To be eligible for the VALE program, an airport must be a commercial service airport listed in the FAA's National Plan of Integrated Airport Systems (NPIAS) and located in an EPA-designated nonattainment or maintenance area for one or more of the criteria pollutants listed above. The FAA, in cooperation with the EPA, prepared a list of eligible airports, which is available on the FAA VALE website. Sponsors are encouraged to contact their State air quality agency for further information or verification of their nonattainment or maintenance status.