

Notice of Funding Opportunity

Title: 2021 Diesel Emissions Reduction Act (DERA) National Grants

Website: https://www.epa.gov/dera/national

Funding: Total: \$46,000,000. Maximum awards: \$4M, depending on region. **Dates:** Information Session Webinars: Jan 26, 2021, Feb 3, 2021, Feb 11, 2021

Questions Submission Deadline: March 5, 2021 Application Submission Deadline: March 16, 2021

Summary: EPA's Office of Transportation and Air Quality is soliciting applications nationwide for projects that achieve significant reductions in diesel emissions. Priority for funding is given to fleets operating in areas designated as having poor air quality and fleets which service goods movement facilities. Further priority for funding is given to projects with outcomes that benefit affected communities, those that engage affected communities in the design and performance of the project, and those which demonstrate the ability to promote and continue efforts to reduce emissions after the project has ended.

Project Topic Areas:

Eligible diesel vehicles, engines and equipment include:

- School buses
- Class 5 Class 8 heavy-duty highway vehicles
- Locomotive engines
- Marine engines
- Nonroad engines, equipment or vehicles used in construction, handling of cargo (including at ports or airports), agriculture, mining or energy production (including stationary generators and pumps).

Grant funds may be used for diesel emission reduction projects including:

- EPA verified technologies or certified engine configurations
- California Air Resources Board (CARB) EXIT verified technologies or certified engines
- Idle-reduction technologies that are EPA verified
- Aerodynamic technologies and low rolling resistance tires that are EPA verified
- Early engine, vehicle, or equipment replacements with certified engine configurations

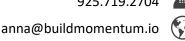
Funds awarded under this program cannot be used to fund emission reductions mandated by federal law. Equipment for testing emissions or fueling infrastructure is not eligible for funding.

Funding:

EPA anticipates awarding approximately \$46 million under this RFA, subject to the availability of funds, the quantity and quality of applications received, and other considerations. The funding is dispersed amongst the ten EPA regional offices by formula based on: 1) the percentage of the population that is living in PM2.5 and Ozone nonattainment areas that is attributable to the region, and 2) the percentage of the total NOx and diesel PM emissions from mobile sources that is attributable to the region. Applicants may submit multiple applications in accordance with the limits defined however each application may only request funding from one EPA regional office, each application must be for a separate project, and the amount of federal funding requested per application must not exceed the amount specified for the applicable Region. Applicants must request funding from the EPA regional office which covers their geographic project location. It is anticipated that approximately 2-8 cooperative agreements per EPA region will be made from this announcement subject to the availability of funds, the quantity and quality of applications received, and other applicable considerations. Funding limitations and mandatory cost share requirements vary based on technology type.







Region	Agreements	Total Anticipated Funding Per Region	Maximum Federal Funding Request Per Application
1	2 – 8	\$1,700,000	\$1,000,000
2	2 – 8	\$4,500,000	\$2,500,000
3	2 – 8	\$4,500,000	\$2,500,000
4	2 – 8	\$5,000,000	\$2,000,000
5	2 – 8	\$6,400,000	\$3,000,000
6	2 – 8	\$5,900,000	\$2,500,000
7	2 – 8	\$3,100,000	\$1,500,000
8	2 – 8	\$3,000,000	\$2,600,000
9	2 – 8	\$10,300,000	\$4,000,000
10	2 – 8	\$2,000,000	\$1,000,000

Project Requirements:

The existing vehicle, engine, or equipment must be fully operational. Operational equipment must be able to start, move, and have all necessary parts to be operational. The participating fleet owner must currently own and operate the existing vehicle or equipment and have owned and operated the vehicle during the two years prior to upgrade. The existing vehicle, engine, or equipment must have at least three years of remaining life at the time of upgrade. Remaining life is the fleet owner's estimate of the number of years until the unit would have been retired from service if the unit were not being upgraded or scrapped because of the grant funding. The remaining life estimate is the number of years of operation remaining even if the unit were to be rebuilt or sold to another fleet. The remaining life estimate depends on the current age and condition of the vehicle at the time of upgrade, as well as things like usage, maintenance and climate.

Highway Usage: The engine operating hours of two units may be combined to reach the thresholds below where two units will be scrapped and replaced with a single unit. 1) School Buses: To be eligible for funding, the existing vehicle must have accumulated at least 7,000 miles/year during the two years prior to upgrade, or during calendar year 2019. 2) All Other Highway Engines: To be eligible for funding, the existing vehicle must have accumulated at least 7,000 miles/year during the two years prior to upgrade.

Nonroad, Locomotive and Marine Usage: The engine operating hours of two units may be combined to reach the thresholds below where two units will be scrapped and replaced with a single unit. 1) Agricultural Pumps: To be eligible for funding, agricultural pumps must operate at least 250 hours/year during the two years prior to upgrade. 2) All Other Nonroad Engines: To be eligible for funding, nonroad engines must operate at least 500 hours/year during the two years prior to upgrade. 3) Locomotive and Marine Usage: To be eligible for funding the existing locomotive and marine engines must operate at least 1,000 hours/year during the two years prior to upgrade.

Documentation Requirements: Participating fleet owners must attest to each criterion in a.-e. above in a signed eligibly statement which includes each vehicle make, model, year, vehicle identification number, odometer/usage meter reading, engine make, model, year, horsepower, engine ID or serial number, and vehicle/equipment registration/licensing number and state. This documentation is not required at the time of application submittal to EPA but is required as part of programmatic reporting to verify the eligible use of grant funds.

Eligible Applicants:

The following U.S. entities are eligible to apply for DERA National Grants: Regional, state, local or tribal agencies/consortia or port authorities with jurisdiction over transportation or air quality; and Nonprofit organizations or institutions that represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or have the promotion of transportation or air quality as their principal purpose. School districts, municipalities, metropolitan planning organizations (MPOs), cities and counties are all eligible entities to the extent that they fall within the definition above.