Mobile Sources Emissions Reduction Grants - Request for Proposals - Question and Answer Session

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Department of Environmental Quality

NORTH CAROLINA
Department of Environmental Quality

What to Expect Today

- **Overview of Mobile Sources Emissions Reductions Grants program funded from Diesel Emissions Reduction Act (DERA) program**
- **Eligibility**
- **How to get access to the Grant Management System (GMS)**
- **Where to find information after this workshop**
- **Questions and answers**

Next Webinar: <u>How To Apply</u>
November 4, 2024

First Things First

- This is a **reimbursement program** for diesel equipment upgrades or replacement

- There are **mandatory cost-shares** for almost all project types

- Federal funds **cannot** be used to meet any of the cost-share requirements, i.e. funds cannot be "stacked."

- Existing diesel equipment must be **scrapped**.

- You MUST scrap replaced equipment within 3 months of taking delivery of the new equipment.

Differences between FY23 and FY24

- **Workforce development funding is eligible and is not subject to any cost-shares**

- **No waivers are in place for EVSE, therefore all charging equipment must be BABA compliant**

- **Bonus points for those counties covered by a Federal Major Disaster Declaration on or after September 2024**

- **Application is only open for 60 days, and closes on NYE**

Request for Proposals (RFP) Timeline

Milestone	Date
RFP open in DAQ Grants Management System	October 15, 2024
RFP closes in DAQ Grants Management System	December 31, 2024
DAQ evaluation of applications	January- February 2025
All applicants notified of their application status	March 2025
Awardee contracts processed	April - May 2025
All work completed	September 30, 2026
Invoices, Certificate of Engine/Chassis Destruction and Final Reports submitted to DAQ	September 30, 2026

Over $1.1 Million in anticipated available funds

Who may apply?

- **Any private or public sector entity stationed in North Carolina is eligible to apply.**
- **Past DAQ Grant Awardees**

Vehicle/Engine/ Equipment Type	Description
School Buses	Includes diesel powered school buses of Type A, B, C and D. To be eligible as a school bus a vehicle should meet the definition
Transit Buses	Includes Class 5+ diesel powered medium-duty and heavy-duty transit buses.
Medium-duty or heavy-duty trucks	Includes diesel powered medium-duty and heavy-duty highway vehicles with gross vehicle weight rating (GVWR) as defined below: Class 5 (16,001 -19,500 lbs. GVWR); Class 6 (19,501 -26,000 lbs. GVWR); Class 7 (26,001 -33,000 lbs. GVWR); Class 8 (33,001 lbs. GVWR and over)
Marine Engines	Includes diesel powered Category 1, 2, and 3 marine engines and vessels.
Locomotives	Includes diesel powered line-haul, passenger, and switch engines and locomotives.
Nonroad engines, equipment or vehicles	Includes diesel powered engines, equipment and vehicles used in construction, handling of cargo (including at ports and airports), agriculture, mining, or energy production (including stationary generators and pumps).

Funding Levels

Eligible Technologies	DERA Funding Limits	Minimum Mandatory Cost-Share (Fleet Owner Contribution)
Drayage Truck Replacement	50%	50%
Vehicle or Equipment Replacement with EPA Certified Engine	25%	75%
Vehicle or Equipment Replacement with CARB Certified Low NOx Engine	35%	65%
Vehicle or Equipment Replacement with Zero-tailpipe Emission Power Source	45%	55%
Engine Replacement with EPA Certified Engine	40%	60%
Engine Replacement with CARB Certified Low NOx Engine	50%	50%
Engine Replacement with Zero-tailpipe Emission Power Source	60%	40%
EPA Certified Remanufacture Systems	100%	0%
EPA Verified Highway Idle Reduction Technologies when combined with new or previously installed exhaust after-treatment retrofit	100%	0%
EPA Verified Highway Idle Reduction Technologies without new exhaust after-treatment retrofit	25%	75%
EPA Verified Locomotive Idle Reduction Technologies	40%	60%
EPA Verified Marine Shore Connection Systems	25%	75%
EPA Verified Electrified Parking Space Technologies	30%	70%
EPA Verified Exhaust After-treatment Retrofits	100%	0%
EPA Verified Engine Upgrade Retrofits	100%	0%
EPA Verified Hybrid Retrofit Systems	60%	40%
EPA Verified Fuel and Additive Retrofits when combined with new retrofit, upgrade, or replacement	Cost differential between conventional diesel fuel	Cost of conventional diesel fuel
EPA Verified Aerodynamics and Low Rolling Resistance Tires when combined with new exhaust after-treatment retrofit	100%	0%
Alternative Fuel Conversion	40%	60%

Eligible Equipment

DERA Eligibility Tool

Important Criteria

- **Replacement vehicle/equipment must be of the same weight class of original vehicle/equipment.**

- **All vehicles and equipment must have at least 3 years of useful life remaining.**

- **All original equipment or vehicles must be operational in the previous two years and the replacement equipment or vehicle must be operated at least 70% in North Carolina for the next 5 years.**

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Important Criteria

- **On-road vehicles must be DIESEL powered Class 5 trucks or larger.**

- **Horsepower increases for non-road equipment are limited to less than 40%.**

- **Original on-road vehicles must operate 7,000 miles per year or more.**

- **Agricultural pumps must operate 250 hours per year or more.**

- **Other non-road engines must operate 500 hours per year or more.**

Scrappage Requirements

- "Scrapped" shall mean to render inoperable and available for recycle, and, at a minimum, to specifically cut a 3-inch hole in the engine block for all engines.

- If any eligible vehicle will be replaced as part of an eligible project, scrapped shall also include the disabling of the chassis by cutting the vehicle's frame rails completely in half.

- You must scrap all replaced equipment with 3 months of taking delivery of new equipment.

Destruction of Old Equipment

How to Apply

- **You must have an NCID to request access to the Grants Management System (GMS).**
- **If you already have an NCID, skip to "Request Access".**
- **Steps to apply:**
    1. **Submit an Enterprise Business Services External Access Request Application (select "NCDEQ Division of Air Quality" for the agency).**
    2. **Complete and submit NC Substitute W-9 and email to daq.mscb.ncdaqgrants@deq.nc.gov.**
    3. **You will receive a "Welcome to the DAQ Enterprise Business System" email when your access has been processed.**
    4. **Apply in NC EBS Portal.**

    This can take up to 1 week or more to get processed.

Getting an NCID

- **Setting up an individual NCID:**

  https://ncid.nc.gov.

- **Instructions are found here: How-to-Create-a-NC-ID.pdf**

- **Your NCID username and password are your credentials for the GMS System.**

Acceptable NCID formats

- **NCIDs must use the following format or your request for access will be denied.**
  - **First name or initial**
  - **Middle initial (optional)**
  - **Last name**
  - **Number (if name is already in use)**

- **Example for Wile E. Coyote options for his NCID are:**
  - **Wileecoyote**
  - **Wilecoyote**
  - **Wilecoyote2**
  - **wcoyote**

  NCIDs must not be a company or organization name.

DAQ Grant Management System (GMS)

- **After setting up your NCID, complete and submit the <u>Enterprise Business Services External Request Application</u>.**
- **Complete the North Carolina Substitute <u>W-9</u> Form for your agency and email it to <u>daq.mscb.ncdaqgrants@deq.nc.gov</u>.**

Each organization is allowed up to 3 authorized users.

Once the authorization is processed, you will receive a "Welcome" email from NCDOT IT SAP Support Services.

Deadline to request access is December 9 to guarantee access by RFP closing

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Enterprise Business Services (EBS) External Access Request Application

User ID Information

*Agency:

If you already log into ebs.nc.gov (Enterprise Business Services), enter your current User ID:

*Last Name:

*First Name:

Middle Name:

*Organization Name (Legal Name of Entity - Registered with the NC Secretary of State):

Organization Name 2 (DBA):

*Organization Address:

No P.O. Box...

*City:

*State (select from drop down):

*Zip Code:

*Phone:

*Email:

Comments:

Select Role(s) and/or Action(s)

Click the generate button to create a code:

↻ Generate(Refresh)

*Copy or type the code in the box :

Submit

NC Office of the State Controller (IRS Form W-9 will not be accepted in lieu of this form) *Denotes a Required Field	STATE OF NORTH CAROLINA SUBSTITUTE W-9 FORM Request for Taxpayer Identification Number	

*1.
☐ Social Security Number (SSN),
OR
☐ Employer Identification Number (EIN),
OR
☐ Individual Taxpayer Identification Number (ITIN)

*2. [ ][ ][ ][ ][ ][ ][ ][ ][ ]

(PRESS THE TAB KEY TO ENTER EACH NUMBER)

Please select the appropriate Taxpayer Identification Number (EIN, SSN, or ITIN) type and enter your 9-digit ID number. The U.S. Taxpayer Identification Number is being requested per U.S. Tax Law. Failure to provide this information in a timely manner could prevent or delay payment to you or require The State of NC to withhold 24% for backup withholding tax.

*4. Legal Name (as shown on your income tax return):

3. Dunn & Bradstreet Universal Numbering System (DUNS) (see instructions)

5. Business Name/DBA/Disregarded Entity Name, if different from Legal Name:

[ ][ ][ ][ ][ ][ ][ ][ ][ ]

(PRESS THE TAB KEY TO ENTER EACH NUMBER)

Contact Information

*6. Legal Address (DO NOT TYPE OR WRITE IN THIS FIELD)	**7. Remittance Address** (Location specifically used for payment that is different from Legal Address, if applicable)
*Address Line 1:	**Address Line 1:**

DAQ Grant Management System (GMS)

- **Once you have received the "Welcome to the DAQ Enterprise Business System Portal" email, the DAQ Grant Management System (GMS) can be accessed at:**

  https://www.ebs.nc.gov/irj/portal

- **Additional GMS information can be found here: https://deq.nc.gov/DAQ-grants-management**

- **Downloadable GMS External User Manual**

DAQ Training Library

Required Application Attachments

- **NCDAQ Vehicle Spreadsheet**
- **Quotes**
  - **Should include itemized quotes for all equipment**
- **Pictures of original equipment, engine tags, and VINs**
- **Any other supporting documentation for application**
- **EV requests require extra attachments (next slide)**

Required Application Attachments: EV projects only

- **Acknowledgement of consultation with utility**
- **Quotes for infrastructure (if requesting in application)**
  - **Installation**
  - **Equipment**
- **Acknowledgement of workforce development**
- **Any other supporting documentation for application**

Old equipment (replaced equipment)

Please fill out all fields you can. You must fill out all fields for replaced equipment for new equipment.

Notice the sheets are labeled by the project type:

1. **On-Road**
2. **Off-Road**
3. **Marine**
4. **Locomotive**
5. **Infrastructure (should be filled out for any EV replacement requests with infrastructure)**

You can upload attachments *at any time* during the application process.

New equipment (replacement equipment)

Please fill out all fields you can. You must fill out all fields for replaced equipment for new equipment.

The quotes should match the information found in this spreadsheet.

If you are requesting infrastructure for replacement equipment, the quotes should match for installation and equipment.

You can upload attachments *at any time* during the application process.

	of years of engine life remaining at time of upgrade action must be > 3):			
NEW VEHICLE AND ENGINE UPGRADE INFORMATION				
Upgrade Information	Year of Upgrade Action:	2024	2024	
	Upgrade Type:	Vehicle Replacement	Vehicle Replacement	
	Upgrade Specific:	Vehicle Replacement - All-Electric	Vehicle Replacement - CNG	
	Class *(on-road vehicles, as defined in data dictionary)*:	Class 6	Class 8	
	VIN for New Vehicle(s)	TBD	TBD	
	Total Cost Per Unit *(equipment plus labor)*:	$ 175,000.00	$ 328,265.02	$
	Upgrade Equipment Cost *only* Per Unit:	$ 150,000.00	$ 328,265.02	
	Upgrade Labor Cost *only* Per Unit:	$ 25,000.00	$ -	
	Total Funds Requested:	$ 50,000.00	$ 40,000.00	
	Federal Cost Share Expended Per Unit *(% of Total Cost per Unit)*:	29%	12%	
New Engine Information	New Engine Model Year:	2024	2020	
	Tier 4 Standards (Tier 4 only):	N/A	Final	
	New Engine Horsepower:	750	300-350	
	New Engine Family Name:	ABC	TBD	
	New Engine Fuel Type:	Electric	CNG (lbs)	
New Annual Vehicle Data	New Annual Idling Hours *(hours per vehicle; on-highway only)*:	N/A	50	
	New Annual Fuel Volume (estimated gallons/year per engine):	6000	54,025 lbs	

Tips and Things to Know

- Increases in fleet size are not allowed.
- Replacement vehicle must be "like for like" with the original equipment.
- Budget information should be as accurate as possible.
- Partial funding will be used as appropriate in awarding projects.
- Essays will be used to assist in evaluating projects that score similarly to determine awardees.
- Applications must be submitted via the NCDAQ Grants Management System. Applications will not be accepted after 11:59PM EDT on December 31, 2024.
- Do not sign any agreements with vendors or start work until your contract is fully executed.
- Applications may be shared with other agencies with similar funding opportunities if project is not funded.
- You must log into GMS periodically or your account will be made inactive, and you may have to request access again.

APPLICATION AWARD IS NOT A FULLY EXECUTED CONTRACT

Project Scoring Criteria

Lifetime Emissions Reductions	35
Lifetime Cost Effectiveness	30
Co-Benefits	20
Environmental Justice	10
EPA Priority County*	5
Historically Under-Resourced County	5
Electric Project	5
Minority or Women-owned Business**	5
Goods Movement Facility**	5
Federal Major Disaster Area	5
Total Points Possible	**125**

* Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, or Union

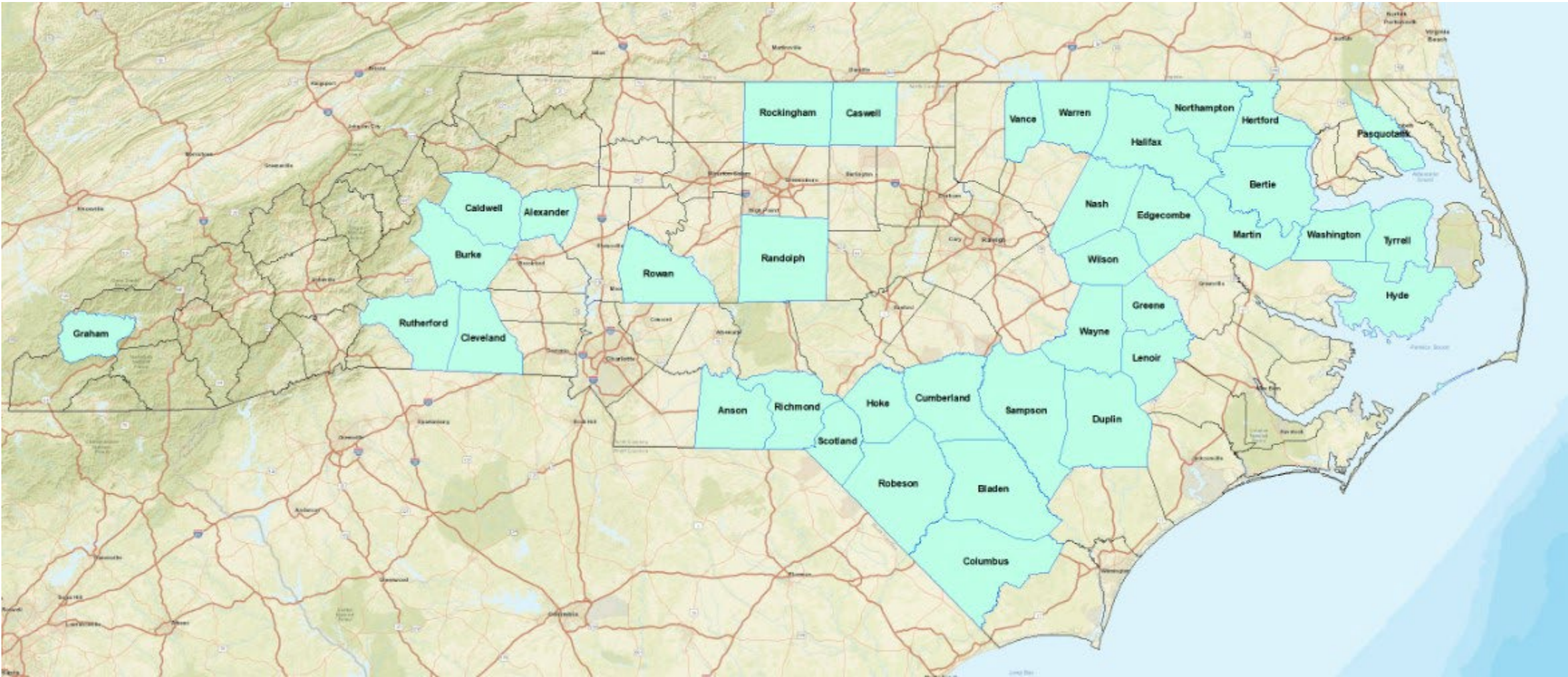** You must indicate this in your application

Environmental Justice (10 points)

The Environmental Protection Agency defines environmental justice (EJ) as "the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income, with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies." (US EPA). Historically, people of color and people of low-income, along with other vulnerable populations, have been disproportionately exposed to harmful pollutants including those emitted by diesel engines such as NOx and PM.

To determine environmental justice (EJ) scores for the purpose of ranking and rating vehicles and projects, the following analysis was done at the block group level using the 2019 American Community Survey (ACS) five-year estimates. The ACS is a demographic survey conducted each year by the U.S Census Bureau to collect detailed demographic information. For this analysis, aggregated five-year data from the 2017 and 2019 surveys was used to increase reliability.

Historically Under-Resourced County Map

Historically Under-Resourced Counties

County		
Alexander	Greene	Rockingham
Anson	Halifax	Rowan
Bertie	Hertford	Rutherford
Bladen	Hoke	Sampson
Burke	Hyde	Scotland
Caldwell	Lenoir	Tyrrell
Caswell	Martin	Vance
Cleveland	Nash	Warren
Columbus	Northampton	Washington
Cumberland	Pasquotank	Wayne
Duplin	Randolph	Wilson
Edgecombe	Richmond	
Graham	Robeson	

A Few Helpful Hints

- **Apply early**

  - **If there are issues with your application, it can be returned for correction before the December 31, 2024, closing date.**

  - **We will not accept late applications.**

- **Contact us for questions well before the application closes for assistance.**

For Next Time….

For the "How to Apply" webinar on November 4, 2024

- **Have requested an NCID**
- **Have submitted a completed and signed NC Substitute W-9 form**
- **Have requested access to the GMS, and received "Welcome" email**

Gathered Application Materials needed to apply:

- **Fleet description datasheet**
- **Pictures of all equipment to be replaced**
- **Quotes for all new equipment in application**
- **For EV projects with infrastructure, you should have already contacted your utility company**

Where to get more information?

- **Questions regarding the application can be directed to: daq.mscb.ncdaqgrants@deq.nc.gov**

- **Downloadable GMS External User Manual**

- **Questions regarding logging onto the system after access has been granted and/or error messages received during the application process can be directed to: EBSSupport@ncdot.gov**

Subscribe to our Mobile Sources Email List!

If you are not currently on our mailing list and would like to receive email updates about DERA, please send an email with the word "Subscribe" in the subject line to daq.mscb.ncdaqgrants@deq.nc.gov.

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Useful Links

- **About the NC DERA Program:**
  - NC DAQ DERA Page
  - DERA Eligibility Tool
  - RFP Guidance

- **NC DAQ Grants Management System:**
  - GMS Website
  - NC DAQ GMS
  - NC DAQ Users Guide

- **Required Forms to Apply:**
  - NCID Registration
  - Online GMS access form
  - NC W-9 form

- **Past Webinar – How to Apply:**
  - GMS Overview

Questions