

Electric Cargo Handling Grant Program Guidelines

A Driving PA Forward Funding Program



pennsylvania

DEPARTMENT OF ENVIRONMENTAL
PROTECTION

Tom Wolf
Governor

Patrick McDonnell
Secretary

Calendar Years (CYs) 2021-2022
(Revised December 2021)

Important Information

Project Funding – Funding from the Volkswagen settlement in the amount of \$5,464,040 is currently available to award in this round. This available amount includes funds rolled over from the CY 2019-2021 grant cycles, as well as the \$1,400,000 allocation for CY 2022.

Project Period – The project period will begin upon execution of a grant agreement and end three years later. Extension requests will be evaluated on a case-by-case basis.

Submission Format – The application is available online through the Department of Community and Economic Development's (DCED) Electronic Single Application web site at <https://www.esa.dced.state.pa.us/Login.aspx>. Paper and faxed copies will not be accepted.

Application Submission Period – The application submission period for the CYs 2021 - 2022 Electric Cargo Handling Grant Program will begin upon public notice of availability and will close at 4:00 p.m. on September 23, 2022. DEP will review and score applications after the application submission period end date. It may be several weeks after the close of the application submission period before DEP announces successful applicants.

Application Scoring – A description of the application scoring process and the application scoring criteria are included in this document.

Webinar – A pre-recorded presentation providing an overview of the program and application process will be available on the Department's Driving PA Forward website under the 'Electric Cargo Handling Grant Program' heading during the application period. See Section VII.

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I. Funding Opportunity Description

A. Background

Reducing emissions from diesel engines is one of the most significant air quality challenges facing the Commonwealth of Pennsylvania. To help Pennsylvania meet its diesel emissions reduction goals, the Wolf Administration has developed new grant and rebate programs under the Driving PA Forward initiative to improve air quality in Pennsylvania and drive transformation from older, polluting diesel engines to clean technologies. New engine technologies like electric, compressed natural gas, propane, and clean diesel can significantly reduce pollutants from freight and delivery trucks, transit and school buses, cargo handling equipment, ocean going vessels in port, forklifts, tugs, and freight switchers that rely on older diesel technology.

The goal of the Governor's initiative is to permanently reduce oxides of nitrogen (NO_x) emissions by as much as 27,700 tons. Of the mobile source NO_x emissions, diesel sources, including aviation, marine, and rail sources, account for approximately 57 percent of the emissions.

The Electric Cargo Handling Grant Program is one of the Driving PA Forward financial incentive programs that DEP has developed to fund Eligible Mitigation Actions (EMAs) from Pennsylvania's \$118.5 million allocation from the State Mitigation Trust, resulting from the emissions cheating lawsuit settlement.¹ Pennsylvania will have at least 10 years to use its allocation of the Trust to fund EMAs. All expenditures from the State Mitigation Trust will require the approval of the Trustee.²

B. Scope of Work

The primary goal of the Electric Cargo Handling Grant Program is to improve the Commonwealth's air quality by reducing NO_x emissions from diesel-powered forklifts, airport ground support equipment (GSE), and port cargo handling equipment by replacing them with all-electric equipment. A single grant proposal may target multiple fleets. See full eligibility information for applicants and projects in Section III.

II. Award Information

A. Available Funding

The total funding available for CYs 2021-2022 under the Electric Cargo Handling Grant Program is \$5,464,000. The maximum award amount for each, individual applicant is \$1,000,000. Multiple projects may be awarded funding from the total available as determined by application scoring and as deemed appropriate by DEP staff.

¹ A \$2.866 billion environmental mitigation trust (State Mitigation Trust) was established by the Environmental Mitigation Trust Agreement for State Beneficiaries filed by the United States (U.S.) Department of Justice, with the U.S. District Court for the Northern District of California on October 2, 2017, in the case, *In Re: Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation* (No. 3:15-md-02672-CRB (N.D. Cal.), MDL No. 2672). Additional information about the case and the settlement are available on DEP's website.

² A Trustee, Wilmington Trust, N.A., was approved by the Court on March 15, 2017, to administer the State Trust Agreement and disburse the funds from the State Mitigation Trust.

B. Project Period

The project period for CYs 2021-2022 Electric Cargo Handling Grant Program will begin upon execution of a grant agreement and end three years later. Extension requests will be evaluated on a case-by-case basis by DEP. *Any applicant who begins a project and incurs costs before receiving a fully executed grant agreement does so with the understanding that the costs may not be reimbursed.*

C. Funding Type

The Electric Cargo Handling Grant Program is offering funding as a reimbursement grant program. This means a grantee will pay all project costs and submit proof that project invoices have been paid, proof of project work completion, and proof of scrappage with a reimbursement request to DEP. If DEP approves the reimbursement request, DEP will request a disbursement from the Commonwealth's trust fund allocation from the Trustee, to provide the funds for payment to the grantee.

Please note, this payment process may take four to six months from the approval of the reimbursement request to complete. Detailed invoice requirements and submission instructions will be provided to successful applicants. DEP will not approve reimbursement requests for unpaid invoices.

D. Technology Compatibility

Technology changes will not be allowed after a project has been selected for funding. If technology compatibility issues arise, DEP may elect to terminate the grant agreement, at which time any funding received by the grantee must be returned to DEP, unless otherwise stated in writing by DEP.

III. **Eligibility Information**

A. Eligible Applicants

Organizations that operate eligible forklifts, airport GSE, and port cargo handling equipment which operate predominately in Pennsylvania may apply. See the glossary for definitions. Eligible applicants include:

1. Businesses
2. Incorporated Nonprofits
3. State, Local, or Tribal Government Agencies
4. Air Quality or Transportation Organizations
5. Metropolitan or Rural/Regional Transportation Planning Organizations
6. Federal Government Agencies

Eligible applicants, or the entities they represent, must have a physical location or base of operations located within the boundaries of Pennsylvania, from which the vehicles, engines, or equipment proposed for repower or replacement operate.

B. Ineligible Applicants

1. Businesses not incorporated in or registered with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations, to do business in the Commonwealth.
2. Individuals applying as individuals, not on behalf of an eligible applicant. Please note

sole proprietors are eligible to apply as a business.

C. Eligible Diesel Vehicles

See the glossary for definitions. Eligible vehicles include the following:

1. Diesel-powered forklifts with greater than 8,000-pound lift capacity.
2. Tier 0, Tier 1, or Tier 2 diesel-powered airport GSE.
3. Diesel-powered port cargo handling equipment limited to rubber-tired gantry cranes, straddle carriers, shuttle carriers, and terminal tractors, including yard hostlers and yard tractors that operate within ports.
4. Eligible vehicles, engines, or equipment that are replaced must be scrapped.
5. Eligible vehicles, engines, or equipment that are replaced must have been in the applicant's fleet and used for their intended purposes for at least three (3) years prior to the application date.
6. Eligible vehicles, engines, or equipment that are replaced must have at least three (3) years of useful life remaining, based on the applicant's normal attrition schedule.
7. Eligible vehicles, engines, or equipment must operate predominately in Pennsylvania, which means that at least 50 percent of the annual operating time must occur within the boundaries of Pennsylvania.

D. Eligible Project Types

See the glossary for definitions. See Section IV. for cost-share information for each project type.

1. Repower of a diesel-powered forklift, with greater than 8,000-pound lift capacity, with an all-electric engine, including costs of installation of a new engine and charging infrastructure associated with a new all-electric engine.
2. Replacement of a diesel-powered forklift, with greater than 8,000-pound lift capacity, with the same equipment in an all-electric form, including costs of charging infrastructure associated with new all-electric equipment.
3. Repower of Tier 0, Tier 1, or Tier 2 diesel-powered airport GSE with an all-electric engine, including costs of installation of a new engine and charging infrastructure associated with a new all-electric engine.
4. Replacement of Tier 0, Tier 1, or Tier 2 diesel-powered airport GSE with the same airport GSE in an all-electric vehicle, including charging infrastructure costs associated with new all-electric equipment.
5. Repower of diesel-powered port cargo handling equipment with an all-electric engine, including costs of engine installation and charging infrastructure associated with a new all-electric engine.
6. Replacement of diesel-powered port cargo handling equipment with the same equipment in an all-electric form, including charging infrastructure associated with new all-electric equipment.

E. Ineligible Vehicles and Project Types

The following are ineligible vehicles, engines, or equipment:

1. Non-diesel-powered forklifts.
2. Diesel-powered forklifts, that have a lift capacity of 8,000 pounds or less.
3. Non-diesel-powered airport GSE.
4. A Tier 3 or Tier 4 diesel-powered airport GSE.

5. Non-diesel-powered port cargo handling equipment.
6. Vehicle, engine, or equipment designated for repower or replacement where most of its annual operation time DOES NOT occur within the Commonwealth.
7. Vehicles, engines, or equipment being replaced or repowered that are not operational or that DO NOT have a valid Pennsylvania state registration, if required.
8. Vehicles, engines, or equipment that do not meet remaining useful life requirements.

The following are types of projects that are not eligible for funding:

1. Projects already completed or started prior to applying for funding. Applicants may make planning decisions and receive quotes prior to applying.
2. Projects to replace or repower vehicles, engines, or equipment operating predominately outside of Pennsylvania.
3. Projects that do not have a base of operation in Pennsylvania.
4. Projects that are intended for fleet expansion.
5. The repair or salvaging of a disabled vehicle, engine, or equipment; or scheduled or routine maintenance and repairs due to accidents or neglect.
6. Projects that were previously or currently funded by a different state or federally funded grant program unless that funding is eligible to be used as match funding for this program.
7. Projects that replace or repower an alternative fuel or gasoline vehicle, engine, or equipment.
8. Projects where the vehicle, engine, or equipment is leased and not purchased outright. Financing of projects is allowed, if all vendors are paid in full and the applicant will have ownership of the vehicle, engine, or equipment once all financing payments are completed.
9. Projects with no measurable, net environmental benefit for the Commonwealth.

F. Eligible Project Costs

All project costs that are eligible for grant funding must be necessary for and directly connected to the acquisition, installation, and operation of the vehicle, engine, or equipment. Project costs for all-electric repowers or replacements may include, but are not limited to, the following under each project type:

1. Purchase cost of the new vehicle, engine, or upgrade, including associated fees and taxes.
2. Installation costs directly associated with an eligible engine repower or upgrade.
3. Charging infrastructure costs directly associated with a new all-electric repower or replacement.
4. In addition to the costs listed above, eligible project costs for all-electric repowers or replacements may include, but are not limited to, the following:
 - a. Batteries included in the purchase cost of the new electric vehicle or engine, including associated fees and taxes.
 - b. Cost of onboard charging components for electric engines, if not included with the costs of the electric engine.
 - c. Cost of external electric charging infrastructure directly related to the operation of the new vehicle or engine including: local electrical work permit costs / fees, electric service upgrades, cables, cable management systems, distribution control systems, and power distribution components.

- d. If charging capacity is being installed beyond what is required for the vehicle or engine funded by this grant program, DEP will consider the portion of the total project relevant to the vehicle or engine funded by this program to be eligible project costs.

G. Ineligible Project Costs

DEP will not consider costs associated with the following:

1. Cost to lease new vehicles or engines. Financing arrangements are allowed.
2. Purchase or rental of real estate.
3. Construction or general maintenance of facilities.
4. Permitting costs or fees.
5. Administrative costs.
6. Electric supply costs.
7. Costs associated with replacement, repower, or upgrade that are not directly necessary or directly connected to the acquisition, installation, and operation of the new vehicle or engine.

H. Funding Restrictions

Funds awarded under the Electric Cargo Handling Grant Program may NOT be used:

1. for lobbying, or intervention in local, state, or federal regulatory or adjudicatory proceedings, and cannot be used to sue the Commonwealth of Pennsylvania or any other government entity.
2. to cover expenses incurred prior to the project period set forth in any grant agreement funded by the Electric Cargo Handling Grant Program. Additionally, expenses incurred prior to the project period set forth in any grant agreement resulting from this project solicitation are not eligible as a cost-share for proposed projects.
3. to prepare the Electric Cargo Handling Grant Program application.
4. for vehicle title, registration and inspection fees, permit fees (other than electric infrastructure permits), or any other fees not approved by DEP in writing.
5. for administrative costs.

IV. Cost Share and Scrappage Requirements

The following section identifies the mandatory cost share (or match) requirements, specifically, the percentage amount of project costs that DEP will reimburse and the percentage amount of project costs that are the responsibility of the applicant. This section also discusses voluntary cost-share options and scrappage requirements.

A. Mandatory Cost-Share Requirement

The following table lists the funding limitations and mandatory cost-share requirements for eligible projects, as defined in Section III.D. of this project solicitation. See the application instructions for allowable sources for match funds.

Project Type	Fuel/Technology	Government Applicant* Cost Share	Non-Government Applicant Cost Share
Forklift Repower or Replacement	All-Electric	Up to 60% reimbursement / minimum 40% from applicant	Up to 40% reimbursement / minimum 60% from applicant
Airport GSE Repower or Replacement	All-Electric	Up to 60% reimbursement / minimum 40% from applicant	Up to 40% reimbursement / minimum 60% from applicant
Port Cargo Handling Equipment Repower or Replacement	All-Electric	Up to 60% reimbursement / minimum 40% from applicant	Up to 40% reimbursement / minimum 60% from applicant

*Note: Preference will be given to applicants that are approved distressed municipalities under Act 47, Financially Distressed Municipalities Act of 1987, by allowing up to 100 percent reimbursement for eligible projects. Such municipality must be identified on DCED's website to be eligible.

B. Voluntary Cost-Share

1. Voluntary cost share, also referred to as an overmatch, is additional funds/resources, or those from third party sources, to support or complement the project, which are above and beyond mandatory cost share.
2. While it is not required that an applicant provide a voluntary cost-share (or overmatch if a mandatory cost share applies) beyond any mandatory cost-share as described above, applicants may provide a voluntary cost share or overmatch to improve the environmental outputs and outcomes of the project. A voluntary cost-share or overmatch may also improve the cost-effectiveness of a project, resulting in a higher score during the evaluation process.
3. If proposed, the voluntary cost share or overmatch funds must be included in the total for the match portion of the budget section of the application. Successful applicants will be required to provide details of the voluntary cost-share and will be legally obligated to meet any proposed voluntary cost share or overmatch that is included in the approved project budget in the grant agreement.

C. Scrappage

The vehicle, engine, and/or equipment being replaced must be scrapped or rendered permanently disabled prior to a reimbursement request being submitted to DEP. Scrappage requirements will be detailed in the grant agreement.

1. For engine repowers and replacements, the following scrappage methods are allowed:
 - a. Cutting a three-inch diameter hole in the engine block (the part of the engine containing the cylinders).
 - b. Crushing or shredding the entire engine.
 - c. Other acceptable scrappage methods may be considered and will require prior DEP approval.
2. For vehicle replacements, the following scrappage methods are allowed:

- a. Cutting a three-inch diameter hole in the engine block (the part of the engine containing the cylinders) and disabling the chassis by cutting through the frame/frame rails on each side at a point located between the front and rear axles.
 - b. Having the full vehicle crushed or shredded.
 - c. Other acceptable scrappage methods may be considered and will require prior written approval from the DEP Project Officer.
3. For equipment replacements, the following scrappage methods are allowed:
 - a. Cutting a three-inch diameter hole in the engine block (the part of the engine containing the cylinders) and disabling the chassis by cutting through the frame/frame rails on each side at a point located between the front and rear axles.
 - b. Having the full vehicle crushed or shredded.
 - c. Other acceptable scrappage methods may be considered and will require prior written approval from the DEP Project Officer.
 4. The scrapped vehicle, engine, or equipment must match the one identified for replacement or repower in the application, unless otherwise approved in writing by DEP.
 5. Evidence of appropriate scrappage or recycling is required in the final reimbursement request submitted to DEP.
 - a. Grantees must complete a “Certificate of Destruction,” including the required photographs, for each vehicle/engine/equipment that is scrapped. This form is a fillable PDF and can be completed electronically or by hand. Digital photographs must be clearly visible and appropriately labelled.
 6. Vehicle and equipment components that are not part of the engine or chassis may be salvaged from the unit being replaced (e.g. plow blades, shovels, seats, tires, etc.). Any compensation received from the salvage and/or recycling of the replaced project vehicles (not the engine or chassis) is considered “Project Income” and will be subtracted from the total project costs. Invoices/receipts for all project income must be provided with the application for reimbursement, after project completion.
 7. All vehicles, engines, and/or equipment proposed for replacement and scrappage must have been continuously operating in the grantee’s fleet for at least the previous three years.

V. General Conditions, Reporting, and Project Monitoring

A. Public Disclosure of Application Documents

Electric Cargo Handling Grant Program applications and supporting documentation are public documents and subject to disclosure to the public upon request. Please note that all documentation and records used to support a funding request submitted to the Trustee of the State Mitigation Trust, and all documentation and records in support of all expenditures of State Mitigation Trust funds, are required to be made publicly available, subject to applicable laws governing the publication of confidential business information and personally identifiable information. This may include information from the application and attachments, or reimbursement request documentation submitted by successful applicants during the grant period. Directions are provided in the Application Instructions for this program on how to format and submit any information that the applicant wishes the Commonwealth to consider as proprietary or confidential.

B. Additional Conditions

The awarding of grant funding is subject to the following conditions:

1. DEP may consider past performance of applicants who have received state funded grants when determining grant eligibility. DEP reserves the right to not award or withhold funds to applicants that have not completed projects or have failed to adhere to grant agreement requirements, including interim and final reporting requirements, for projects funded by the Electric Cargo Handling Grant Program or other state grant programs. This determination will be made by DEP on a case-by-case basis.
2. All projects must be compliant with all applicable local, state, and federal laws and must adhere to DEP guidance and policies.
3. Applicants must not have any outstanding obligations (financial or otherwise) to the Commonwealth and must not have any unresolved environmental violations.
4. Grantees must secure all permits or approvals otherwise required for the project to proceed, including permits required by DEP.
5. All government and for-profit business entity employers in the Commonwealth of Pennsylvania are subject to PA Prevailing Wage Act requirements. To be eligible for funding from this Program, applicant must already be compliant with the Act. Compliance with this Act will be verified with the PA Department of Labor & Industry, upon receiving an application for grant funding.
 - a. Grantees shall ensure, where necessary, that construction projects with a cost more than \$25,000 that may be subject to PA's Prevailing Wage Act requirements are paid appropriate wages commensurate with the Act.
 - b. It is solely the responsibility of the grantee to ensure the act is followed, if applicable.
6. In addition to the Prevailing Wage Act above, any government or for-profit entity applying for grant funding from any Commonwealth agency, must also comply with PA Executive Order 2021-06, Worker Protection and Investment:
 - a. Applicants are required to pay all employees working in their organizations a minimum wage that meets or exceeds the Commonwealth's minimum wage, as prescribed in PA Executive Order 2016-02, Minimum Wage for Employees of the Commonwealth and of Organizations Receiving State Contracts.
 - b. Beginning July 1, 2019, and annually thereafter, the minimum wage shall be increased by of \$0.50 until July 1, 2024, when the minimum wage reaches \$15.00. Thereafter, the minimum wage rate would be increased by an annual cost-of-living adjustment using the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) for Pennsylvania, New Jersey, Delaware and Maryland. The applicable amount shall be published in the Pennsylvania Bulletin by March 1 of each year to be effective the following July 1.
 - c. Additionally, applicants must ensure any contractors, consultants, or lessors which will be compensated for work or costs related to Commonwealth grant-funded projects, must also be compliant with the requirements identified above, if applicable. It is the applicant's/grantee's sole responsibility to notify any potential contractor, consultant, or lessor of these requirements and ensure compliance of these third parties prior to the expenditure of any project funds.

Failure to comply with the provisions in the Prevailing Wage Act and PA Executive Order 2021-06, may result in the termination of the grant agreement contract and loss of project grant funding. For more information about the applicability of the Prevailing Wage Act and Executive

Order 2021-06 requirements, applicants should contact the Department of Labor and Industry at 717-787-5279 or 800-932-0665 or visit the web site at www.dli.pa.gov.

C. Reporting Requirements

1. Quarterly Reports: Quarterly reports will be submitted to DEP within 14 days after the end of each quarter during the project period. Reporting quarters end March 31, June 30, September 30, and December 31. Quarterly reports can be submitted through standard mail or through electronic mail sent to the DEP Program Administrator, unless superseded by updated reporting instructions. Grantees will, in quarterly reports, provide DEP with the status of the project work, as compared to the Work Plan included in the grant agreement. Detailed reporting requirements will be established in the grant agreement.
2. Final Report: A final report will be submitted to DEP upon completion of the project, no later than 30 days after the Project Completion Date established by the grant agreement or future amendments. Detailed requirements for the final report will be established in the grant agreement.
3. Annual Follow-Up Report: A follow-up report will be submitted to DEP, at the earliest, one year after the Project Completion Date, but no later than one year and 30 days after the Project Completion Date. Annual reporting may be required for up to 3 years after the project completion date, depending on the project type. Detailed requirements for the annual follow-up report will be established in the grant agreement.

D. Financial Monitoring

1. Grantees must properly manage and account for funding received under the Electric Cargo Handling Grant Program and any matching funds provided by the applicant. To confirm compliance with the conditions of the grant agreement, appropriate records must be maintained.
2. No credit will be given for funds spent prior to the period of performance, unless otherwise approved in writing by DEP. All funding must be spent in accordance with the spending plan included in the grant agreement.
3. Extensions of the grant period of performance will not be issued unless DEP concludes it to be necessary based on its own determination or in response to an approved request from the grantee.
4. DEP reserves the right to terminate the project and/or recover funding from grantees not properly managing the funding in accordance with the conditions of the program and the grant agreement.
5. DEP reserves the right to inspect projects financed with Electric Cargo Handling Grant Program funds and to audit or require a third-party audit of any project's financial transactions or compliance with agreement terms.

E. Project Status and Monitoring

1. Grantees will be required to provide a status report with each application for reimbursement, as outlined in the grant agreement.
2. DEP may, at any time during the project period, request an update on the status of the project, to ensure that the project activities are being completed according to the project Work Plan included in the grant agreement.
3. Project Completion:

- a. The project must be completed in accordance with the specifics of the grant agreement. Modifications will not be considered, except for very limited scope and budget changes, including, but not limited to: replacements of equal quality and function, and reallocation of contract budget category dollar amounts to and from other budget categories, as long as the maximum contract dollar amount payable to the grantee is not exceeded. All changes must be approved by DEP.
- b. The project will not be considered complete until an on-site inspection of the project work is performed by DEP to confirm the project work is complete. DEP may waive this requirement and allow confirmation of project work in another form, to be determined on a case-by-case basis. DEP will send written notification to the grantee when it has confirmed that the project work is complete. On-site inspection, or other project confirmation activities, may occur during the project period if project work is completed early, but must occur no later than 30 days after the Project Completion Date, unless otherwise agreed to in writing by DEP.

VI. Application Review, Scoring, and Selection

A. Project Selection

1. All complete applications will be reviewed by DEP staff, based on the set criteria, some of which are listed below.
2. Projects will be recommended for funding based primarily on the score received during the review process, but other criteria, such as an applicant's past performance with DEP grants or the Commonwealth's economic and environmental priorities, may be considered.
3. DEP may offer applicants full or partial funding for their projects. For example, if remaining funds are not adequate to meet the funding request of the next applicant selected, DEP may contact the applicant to see if they would accept funding at a lower level than requested in the application.

B. Notification of Applicants

1. All applicants will receive notification from the DEP Secretary or designee, addressed to the contact person specified in the application, notifying the applicant whether or not they are being offered grant funding.
2. If an application is not selected for funding, the applicant can contact DEP if they wish to discuss the details of why the application was not selected. Applications may not be selected for funding for incomplete or ineligible applications, lower score ranking than other applications, or lack of funds to award.
3. Successful applicants will be assigned a DEP Project Advisor; grantees may be required to meet with DEP staff to review contract requirements.
4. After the announcement of a grant award, DEP will forward a grant agreement to the successful applicant. Successful applicants will be required to execute the grant agreement, including a detailed scope of work, project schedule, detailed budget and other information.

C. Application Review and Scoring

1. DEP will conduct a comprehensive review of the grant application and supporting documentation. DEP will not be responsible for an application that is rejected due to incomplete or inaccurate information. All complete applications will be reviewed and

evaluated by a panel of air quality experts using set criteria, some of which are listed below.

2. Some of the scoring criteria include the following:
 - a. Small business status
 - b. Emission reductions, particularly NO_x reductions
 - c. Cost effectiveness (\$/ton NO_x reduced)
 - d. Size of the fleet proposed for repower or replacement
 - e. Match funding requirements
 - f. Project location – environmental justice areas, priority counties, high-pollution areas, Act 47 municipalities
 - g. Population density

D. Focus on Environmental Justice

Environmental Justice (EJ) is 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. EJ embodies the principles that communities should not be disproportionately exposed to adverse environmental impacts and anyone can have a seat at the table in the decision-making process that affects their environment.

Pennsylvania DEP identifies an EJ Area where 20 percent or more individuals live at or below the federal poverty line, and/or 30 percent or more of the population identify as non-white minority, based on data from the U.S. Census Bureau and the federal guidelines for poverty. In many instances, industrial sources of pollution are disproportionately concentrated in and around these EJ areas, which negatively effects health and severely impacts quality of life for those living and working there.

The Commonwealth of Pennsylvania encourages any project which would attempt to mitigate pollution in EJ areas. Any Driving PA Forward grant project proposal received by DEP, which provides clear environmental benefit to a EJ area, may receive additional consideration in the application scoring process.

For more information on Environmental Justice, please contact the DEP Office of Environmental Justice at:

P.O. Box 2063
Harrisburg, PA 17101
RA-EPOEJ@pa.gov or (484) 250-5818

VII. Webinar Information

A recorded presentation providing an overview of the program and application process will be available on the Department’s Driving PA Forward website under the ‘Electric Cargo Handling Grant Program’ heading during the application period. Applicants should use the contact information in Section IX. of these program guidelines to submit questions or request clarification about the presentation or the program documents.

DEP may also post additional tutorials or videos on the Driving PA Forward website to assist

applicants in completing and submitting applications.

VIII. How to Apply

- A. See the Electric Cargo Handling Grant Program Application Instructions for step-by-step directions for applying for the Electric Cargo Handling Grant Program. All applications must be submitted through the Department of Community and Economic Development's (DCED) Electronic Single Application web site, <https://www.esa.dced.state.pa.us/Login.aspx>. Applicants will not be able to submit their application unless all required information is completed.
- B. Application Submission Period – The application submission period for the Electric Cargo Handling Grant Program will begin upon public notice of availability and will close at 4:00 p.m. on September 23, 2022. Once closed, DEP will review and score applications. It may be several weeks after the close of the application submission period before DEP announces successful applicants.
- C. Late submittals will not be accepted.
- D. DEP Assistance and Contacts
 1. Questions regarding the application process, including signing up for access and any issues with completing the online application, should be directed to the DCED Customer Service Center at 1-800-379-7448. The Customer Service Center is open 8:30 A.M.-5:00 P.M. EST Monday thru Friday.
 2. Any questions about the content of or responding to the application questions, or questions about deadlines, should be directed to the Bureau of Air Quality, Pennsylvania Department of Environmental Protection: ra-epvwmitigation@pa.gov or 717-787-9495.

IX. Glossary – Definitions are for the purpose of this funding program and may vary from other commonly used definitions.

‘Air Quality or Transportation Organizations’ – Local, regional or multi-state air quality or transportation organizations that include a Pennsylvania state government agency, a municipal government, or a municipal authority as a member, and

1. owns or operates a diesel fleet located or operating predominately in Pennsylvania, or
2. have partnered with or is acting as a project manager for another eligible entity listed in this section.

‘Airport Ground Support Equipment (GSE)’ – vehicles and equipment used at an airport to service aircraft between flights.

‘All-Electric’ – powered exclusively by electricity provided by a battery, fuel cell, or the grid.

‘Alternate Fueled’ – an engine, or a vehicle or piece of equipment that is powered by an engine, which uses a fuel different from or in addition to gasoline fuel or diesel fuel (e.g., CNG, propane, diesel-electric Hybrid).

‘Alternative fuel’ – gaseous fuels such as hydrogen, natural gas, and propane; alcohols such as ethanol, methanol, and butanol; vegetable and waste-derived oils; and electricity. Other fuels may be considered for replacement projects on a case-by-case basis by DEP.

‘Business’ – corporations, partnerships, sole proprietorships, limited liability companies, business trusts or other legal business entities incorporated in or registered with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations, to do business in the Commonwealth.

‘CARB’ – California Air Resources Board.

‘Cargo’ – goods, merchandise, or materials conveyed in a ship, airplane, vehicle; or conveyed via equipment.

‘Commonwealth’ – Commonwealth of Pennsylvania.

‘DEP’ – Pennsylvania Department of Environmental Protection.

‘Diesel fuel’ – a fuel that is commonly or commercially known, sold or represented as diesel fuel, including any mixture of primarily liquid hydrocarbons that is sold or represented as suitable for use in an internal combustion, compression-ignition engine.

‘Federal Government Agency’ – Federal agencies that have custody, control, or management of land (including, but not limited to, Clean Air Act Class I and II areas) within or contiguous to the territorial boundaries of the Commonwealth.

- ‘Forklift’ – nonroad equipment used to lift and move materials short distances; generally includes tines to lift objects. Eligible types of forklifts include reach stackers, side loaders, and top loaders.
- ‘Government’ – a State or local government agency (including a school district, municipality, city, county, special district, transit district, joint powers authority, or port authority, owning fleets purchased with government funds), and a tribal government or native village. The term ‘State’ means the several States, the District of Columbia, and the Commonwealth of Puerto Rico.
- ‘Grantee’ – an applicant that has an executed grant agreement with DEP.
- ‘Infrastructure’ – the equipment used to enable the use of electric powered vehicles, engines, or equipment (e.g., electric vehicle charging station).
- ‘Lift Capacity’ – the maximum load for which a forklift is designed by the manufacturer to lift and carry.
- ‘Metropolitan or Rural/Regional Transportation Planning Organizations’ – Organizations as defined by the U.S. Department of Transportation at 49 U.S.C. § 5303(b), that are located in Pennsylvania.
- ‘Non-Profit’ – An organization incorporated as a non-profit under Pennsylvania law or registered with the Pennsylvania Department of State, Bureau of Corporations and Charitable Organizations, to do business in the Commonwealth.
- ‘Port’ – a site located at a point along navigable waters (seaport), at a point along an international border (border point), or at a location away from navigable waters or international borders that is used to facilitate the transfer of goods between modes of transportation including air, marine, rail, and truck (inland port or intermodal terminal).
- ‘Port Cargo Handling Equipment’ - rubber-tired gantry cranes, straddle carriers, shuttle carriers, and terminal tractors, including yard hostlers and yard tractors that operate within ports.
- ‘Replacement’ – replacement of non-road and highway diesel vehicles, engines and equipment with newer, cleaner vehicles, engines and equipment that operate on diesel, alternative fuels, or all-electric and use engines certified by EPA and/or CARB, if applicable, to meet a more stringent set of engine emissions standards.
- ‘Repower’ – to replace an existing engine with a newer, cleaner engine or power source that is certified by EPA and, if applicable, CARB, to meet a more stringent set of engine emission standards. All-Electric repower includes diesel engine replacement with an electric power source (e.g., grid, battery). All-Electric repowers do not require EPA or CARB certification.
- ‘Scrapped’ – 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.

'Tier 0, 1, 2, 3, 4' - shall refer to corresponding EPA engine emission classifications for nonroad, locomotive, and marine engines.