

# Pennsylvania State Clean Diesel Grant Program Guidelines and Application



**pennsylvania**

DEPARTMENT OF ENVIRONMENTAL PROTECTION

Tom Corbett  
Governor

Michael L. Krancer  
Secretary

2011



SECRETARY

Dear Friend:

I am pleased to invite you to apply for grant funding available through the Pennsylvania Department of Environmental Protection (DEP) State Clean Diesel Grant Program. The primary goal of the Pennsylvania State Clean Diesel Grant Program is to improve Pennsylvania's air quality by decreasing emissions from diesel-powered engines operating in the Commonwealth. The program, in addition to improving air quality, will also help to create and promote new markets for advanced clean diesel engine technologies.

For this grant opportunity, organizations that operate diesel-powered fleets across the Commonwealth will be eligible to receive funding for projects that lower emissions. Eligible proposals should include using emission reduction technologies such as idle reduction technologies, retrofit and re-power technologies, alternative fuels and alternative fuel vehicles, as well as deployment of fuel-saving technology. DEP is interested in supporting proposals that are market-driven, create jobs and produce economic development within the Commonwealth. Applicants are encouraged to work with businesses and equipment vendors within Pennsylvania in completing their projects.

Along with the enclosed application, detailed guidance is provided to assist you in developing project proposals. I encourage you to read through the entire package carefully to ensure that your complete application is prepared to effectively compete for available funding. The deadline for submittal of applications to the Department is December 15, 2011.

I look forward to funding projects that improve air quality in Pennsylvania. For more information, please contact the Bureau of Air Quality at 717-787-9495.

Sincerely,

Michael L. Krancer  
Secretary

# PA State Clean Diesel Grant Program General Guidelines

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## PA State Clean Diesel Grant Program Guidelines

The Pennsylvania Department of Environmental Protection (DEP) is offering reimbursement grant funding for mobile source diesel emission reduction projects in the Commonwealth of Pennsylvania. The primary goal of the Pennsylvania State Clean Diesel Grant Program is to improve Pennsylvania's air quality by decreasing emissions from diesel-powered mobile sources. DEP will consider projects in all of the categories listed below as eligible projects.

The PA State Clean Diesel Grant Program may be funded through one of several funding sources including the U.S. Environmental Protection Agency's (EPA) State Clean Diesel Grant Program or other sources of state funding.

### General Eligibility Criteria and Reporting Requirements

**Eligible Applicants** – Organizations that operate diesel-powered fleets throughout the Commonwealth. Eligible applicants include, but are not limited to the following:

- **Businesses** – corporations, partnerships, sole proprietorships, limited liability companies, business trusts or other legal business entities incorporated in the Commonwealth
- **Nonprofit Corporations** – incorporated nonprofit organizations
- **Municipal Authorities, School Districts, and Other State Agencies**
- **Political Subdivisions** – Pennsylvania municipalities or counties

**Eligible Projects** – the following types of projects are eligible for funding:

- Purchase and installation of retrofit technologies (exhaust controls and engine upgrades) certified or verified by EPA or California Air Resources Board (CARB); this may be a single technology or a combination of available technologies
- Purchase and installation of EPA- or CARB-verified idle reduction technologies
- Purchase of compressed natural gas (CNG) or hybrid-electric (HEV) vehicles that will replace existing diesel-powered vehicles. NOTE: Generally, only incremental costs will be reimbursed for these replacement projects.
- Re-powering vehicles with newer diesel or alternative fuel engines that will lower air emissions
- Purchase and installation of EPA- or CARB-verified idle reduction technology
- Fleet purchases for the replacement of highway vehicles with lower diesel emissions than the diesel-powered vehicle being replaced

## General Limitations and Conditions

The awarding of grants is subject to the following limitations and conditions:

- DEP reserves the right to not award or withhold funds to applicants that have not completed projects that were funded previously by PA State Clean Diesel Grant Program monies. This determination will be made by DEP on a case-by-case basis;
- Applicants who have received grants and completed PA State Clean Diesel Grant Program funded projects, but have failed to submit the proper reporting forms, will be considered for funding by DEP on a case-by-case basis;
- Past performance of applicants who have received grants from DEP may be considered when determining grant eligibility. This assessment will be determined by DEP on a case-by-case basis;
- All projects must have a measurable environmental net benefit for the Commonwealth;
- All projects must be in compliance with all applicable laws;
- Applicants must not have any outstanding obligations to the Commonwealth and must not have any unresolved environmental violations;
- Project site(s) must be physically located in Pennsylvania;
- For any vehicle(s) designated for retrofit, re-power, or replacement, the majority of their annual operation time must occur within the Commonwealth;
- For vehicles that are being replaced or re-powered the old engine(s) must be scrapped;
- The activities funded must be conducted entirely or largely in Pennsylvania;
- Grantees must secure all permits or approvals otherwise required for the project to proceed; and
- Grant recipients must comply with all Commonwealth requirements in the implementation of the project.

## Ineligible Applicants, Projects, and Costs

Federal government agencies are not eligible applicants.

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

- Projects already completed or started prior to submitting an application to DEP
- Projects located entirely outside of Pennsylvania
- Projects that are intended for fleet expansion
- The repair or salvaging of a disabled vehicle
- The replacement or re-powering of vehicles that are beyond their useful lifespan
- The purchase and installation of infrastructure (e.g., CNG refueling station)
- Projects that were previously funded by a different grant program
- Projects that convert from one alternative fuel to another alternative fuel

PA State Clean Diesel Grant Program funds cannot be used to cover the following costs:

- Preparation of the PA Clean Diesel Program Grant Application
- Land acquisition
- Scheduled or routine maintenance and repairs due to accidents or neglect
- Permit fees
- Vehicle title, registration and inspection fees
- Ground service and landscaping
- Business start-up costs and advertising
- Indirect costs (i.e., general administrative and overhead, contingency funds, etc.)
- Travel, lodging and subsistence costs
- Conference or meeting expenses including catering, conference equipment and room rental and any other cost not deemed acceptable to DEP

### **Other Pertinent Information for Applicants**

- The Commonwealth reserves the right to reject any and all applications received as a result of this request.
- PA State Clean Diesel Grant Program proposals are public documents and subject to disclosure to the public upon request. Any information included in the grant proposal that the applicant wishes the Commonwealth to consider as proprietary must be on a separate sheet of paper and must be clearly marked as proprietary. As required under Section 13.2 of the Air Pollution Control Act, 35 P.S. Section 4013.2, cause must be shown as to why the information should be considered confidential.
- Funds allocated under this program cannot be used to comply with federal, state and/or local laws or regulations.

### **Reporting Requirements**

If a grant is awarded, the grant recipient must submit quarterly reports to the Department for the duration of the grant period. A final report and a one-year follow-up report must also be submitted to the Department in accordance with the special conditions of the grant agreement.

### **Definitions**

The following are definitions of key terms that are used in this application package:

*Alternative Fuel* – methanol, denatured ethanol and other alcohols; mixtures containing 85 percent or more by volume of methanol, denatured ethanol and other alcohols with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; coal-

derived liquid fuels; non-alcohol fuels (such as biodiesel) derived from biological material; and electricity (as defined by U.S. Department of Energy).

*Biodiesel Fuel* – either of the following:

- A motor vehicle biofuel that is suitable for use in an internal combustion, compression-ignition engine derived from vegetable oils or animal fats that is designated B100 and meets the ASTM specification D6751; or
- Motor vehicle fuel suitable for use in an internal combustion, compression-ignition engine comprised of 5, 10 or 20 percent biodiesel with 95, 90 or 80 percent diesel fuel that is designated as B5, B10 or B20, respectively.

*Biofuels* – a motor vehicle fuel derived from alcohols, ether, esters and other chemicals made from cellulosic biomass such as herbaceous and woody plants, agricultural and forestry residues and a large portion of municipal solid and industrial waste.

*CARB* – California Air Resources Board.

*CFR* – Code of Federal Regulations.

*Commonwealth* – the Commonwealth of Pennsylvania.

*CNG* – compressed natural gas.

*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.

*DEP* – Pennsylvania Department of Environmental Protection.

*DERA* – Diesel Emissions Reductions Act, a federal program that provides funding to states to support projects that reduce harmful emissions from diesel engines.

*Engine Upgrade* – involves the removal of parts on a certified engine configuration and replacement with parts that cause the engine to represent an engine configuration which is certified to meet more stringent federal emission standards. Generally, engines are able to be upgraded to a cleaner EPA certified configuration through the application of a “kit” (the “kit” may not necessarily be verified as a retrofit by EPA or CARB, but the “kit” must be used to rebuild the engine to an engine configuration which is certified to meet more stringent federal emission standards. For example, a tier 0 nonroad engine could be upgraded to a certified tier 1 nonroad configuration). For an engine to be eligible for an upgrade, the engine must be currently operating and performing its intended function.

*Exhaust Controls* – pollution control devices installed in the exhaust system (such as oxidation catalysts and particulate matter filters), or systems that include crankcase emission control (like a closed crankcase filtration system).

*Facilities* – buildings and other structures that involve new land development or result in a change to the existing use of land that may involve research, development,

production and processing of alternative fuels, or manufacturing of alternative fuel vehicles and related technologies.

*Grantee* – an applicant that has an executed PA State Clean Diesel Grant Program grant agreement with DEP.

*Idle Reduction Technology* – technologies that provide power to the vehicle that would otherwise be provided by idling of the main propulsion engine; this technology includes systems designed for stationary or mobile use.

*Incremental cost* – the difference between the purchase cost of an alternatively fueled/electric dedicated vehicle and a conventional diesel-powered model.

*Infrastructure* – a permanent structure for transportation, storage or dispensing of alternative fuels.

*Jobs Created or Retained* – positions that are funded by the Diesel Emission Reduction Act Program that otherwise would not be created or retained without the funding.

*MBtu* – one million British thermal units.

*PA State Clean Diesel Grant* – monies allocated from the State Clean Diesel Grant Program fund for a project approved by DEP.

*PM* – particulate matter.

*PM<sub>2.5</sub>* – fine particulate matter with particles that have a diameter of 2.5 microns ( $m^{-6}$ ) or less and the precursors that add to the formation of it.

*Replacement* – early replacement of non-road and highway diesel vehicles and equipment with newer, cleaner vehicles and equipment that operate on diesel or alternative fuels and use engines certified by EPA and, if applicable, CARB to meet a more stringent set of engine emissions standards. The new vehicles must be of the same type, similar gross vehicle weight, and perform the same duties as the vehicles being replaced.

*Re-power(ing)* – removal of an existing engine and replacing it with a newer, cleaner engine that is certified to a more stringent set of engine emissions standards. For a vehicle to be eligible for re-powering, the vehicle after re-powering must perform its intended function.

*Retrofit technology* – technologies that can be installed on existing diesel-powered vehicles that reduce emission levels of one or more pollutants. That would include exhaust controls and engine upgrades.



## **Application Review and Selection Process**

DEP will conduct a comprehensive review of the grant application and supporting documentation (i.e., cost estimates). 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 the criteria defined below.

**Application Evaluation Criteria:** Applications will be evaluated based on the following criteria:

- Environmental benefits and emissions reduction
- Potential to reduce conventional energy consumption
- Potential for the creation or retention of jobs
- Technical (proven proposed technology) and financial feasibility
- Cost-effectiveness
- Number of vehicles
- Whether the applicant has demonstrated that the project can be completed
- The amount of matching funds; letters of financial commitment documenting matching funds or in-kind services should be provided to verify matching fund claims. (Note: Letters supporting the project are not considered letters of financial commitment for matching funds)
- If the project is located or operates predominately within an area that is designated by the EPA as either nonattainment or maintenance for fine particulate matter (PM<sub>2.5</sub>) or ozone national ambient air quality standards
- Whether the project will use a Disadvantaged Business Enterprise, which includes disadvantaged, minority-owned, women-owned and small business enterprises
- Promotion and use of Pennsylvania businesses, products and services when prices are competitive
- If the project is located on a brownfield (a vacant, previously utilized site) or building or in a designated Environmental Justice site
- All projects must be consistent with the applicable provisions of the Keystone Principles for Growth, Investment and Resource Conservation; a description of the Keystone Principles is available at: [www.phmc.state.pa.us/bhp/pkp.pdf](http://www.phmc.state.pa.us/bhp/pkp.pdf)

## **General Application Recommendations**

The PA State Clean Diesel Grant Program strongly encourages participation by Small Disadvantaged Businesses as prime contractors, joint ventures and subcontractors/suppliers and by Socially Disadvantaged Businesses as prime contractors. This recommendation refers to use of, to the maximum extent possible, local Pennsylvania contractors, suppliers, products, services, labor and to the use of minority-owned, women-owned and disadvantaged business enterprises to successfully bring projects to fruition, greatly benefiting Pennsylvania's local communities and economy.

Small Disadvantaged Businesses are small businesses that are owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy due to social disadvantages. The term includes:

- Department of General Services Bureau of Minority and Women Business Opportunities (BMWBO)-certified minority business enterprises (MBE) and women business enterprises (WBE) that qualify as small businesses; and
- United States Small Business Administration certified 8(a) Small Disadvantaged Business concerns.

A database of BMWBO-certified minority- and women-owned business enterprises can be accessed at [www.dgsweb.state.pa.us/mbewbe/VendorSearch.aspx](http://www.dgsweb.state.pa.us/mbewbe/VendorSearch.aspx). The federal vendor database can be accessed at [www.ccr.gov](http://www.ccr.gov) by clicking on *Dynamic Small Business Search* (certified companies are so indicated).

Applicants are strongly encouraged to contact the appropriate DEP staff to discuss the application before submittal. Contact information for DEP staff is included in this document on page 10.

### **General Grant Award and Contract Conditions**

1. Applicants for projects selected for funding will receive a letter from the DEP Secretary or designee, addressed to the contact person specified in the application.
2. Grantees will be assigned a DEP project advisor; grantees may be required to meet with DEP staff to review contract requirements.
3. After the announcement of a grant award, DEP will forward a grant agreement to the recipient. Grantees will be required to execute the grant agreement, including a detailed scope of work, project schedule, budget and other information.
4. Grantees that have not had previous contracts or grant agreements with the Commonwealth will be required to obtain a Vendor Identification Number through the Vendor Data Management Unit, <http://www.vendorregistration.state.pa.us/cvmu/paper/default.aspx> (Non-Procurement Registration Link) and to submit a Form W-9, Request for Taxpayer Identification Number and Certification.
5. Payment requests may begin after the grant agreement has been fully executed.
6. DEP will make payment to the successful grantee based on review of the required Application for Reimbursement form, accompanying invoices and adequate proof of payment documentation. DEP will not fund costs in excess of the approved grant amount.
7. Grants will be paid on a reimbursement basis for costs expended by the grantee after the grant is fully executed. All project invoices must be received by DEP no

later than sixty (60) days after project completion. All invoices must be accompanied by documentation demonstrating that invoices have been paid.

8. Grantees will be paid for funds expended only during the period of performance specified in the grant agreement.

9. Reporting and Invoices:

- Grantees will be required to provide a status report with each Application for Reimbursement as outlined in the grant agreement.
- Grantees must submit quarterly reports for the duration of the grant period and a final report when the grant is completed.
- Grantees will also be required to submit a follow-up status report including performance measures and jobs created or retained one year after the project completion date, as detailed in the special conditions of the grant agreement.
- Grantees will use the report forms provided by DEP. These forms will be referenced in the grant agreement, but not attached to the grant agreement.
- Grantees will be responsible for providing all the information required to complete the grant report.

10. Completion of Project:

- The vehicle, engine, or equipment being replaced will be scrapped within ninety (90) days of the replacement, or the replaced vehicle, engine, or equipment will be returned to the original engine manufacturer for remanufacturing to a cleaner standard.
- The project must be completed as described in the application and grant document. Modifications will not be considered, except for very limited scope and budget changes.
- These changes include 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 by the DEP to the recipient is not exceeded. All changes must be approved by the project advisor.

11. Permits:

- Grantees must secure all permits or approvals otherwise required for the project to proceed. This includes any permits required by DEP.
- If building permits are required for the project, copies of the permits shall be submitted prior to the first payment request. DEP will not make payments to the grantee prior to receiving a copy of the required permit. The final building inspection report must be signed, and a copy must be submitted to DEP, before the grantee applies for final payment.
- Grantees must comply with all applicable laws and local ordinances including local, Commonwealth and federal requirements in the implementation of the project.

12. Grantees who claimed the use of a Small Disadvantaged Business certified by BMWBO as an MBE/WBE must provide a photocopy of their BMWBO certificate.

### 13. Accounting and Financial Controls:

- Grantees must properly manage and account for funding received. A complete spending record for all expenditures will be required, including invoice receipts, logs of record and other properly certified documents.
- Matching funds provided by the grantee must be spent during the period of performance. Documentation may be requested for matching funds. Matching funds must correspond to eligible categories as outlined in the project budget.
- No credit will be given for funds spent prior to the period of performance. All funding must be spent in accordance with the spending plan included in the Grant Agreement. 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.
- If any other grant condition is not adhered to, DEP reserves the right to terminate the project and/or recover funding from grantees that are not properly managing the funding in accordance with the conditions of the program and the grant agreement.
- Extensions of the grant period of performance will not be issued, unless the Department concludes it to be necessary by determination or request. DEP reserves the right to inspect projects financed with PA State Clean Diesel Grant Program funds and to audit or require a third-party audit of any project's financial transactions or compliance with agreement terms.

### 14. Projects may be subject to Pennsylvania Prevailing Wage Act requirements.

- Grantees shall ensure, where necessary, that construction projects with a cost in excess of \$25,000 that may be subject to Pennsylvania's Prevailing Wage Act requirements are paid appropriate wages commensurate with the Act.
- For information about the applicability of the Prevailing Wage Act requirements, applicants should contact the Department of Labor and Industry at (717) 705-7256 or (800) 932-0665 or visit the website at [www.dli.state.pa.us](http://www.dli.state.pa.us). It is solely the responsibility of the grantee to ensure the act is followed, if applicable.

### **When Can You Start Your Project/Project Duration?**

The PA State Clean Diesel Grant Program is a competitive program. An application may fail to receive funding or may be determined unacceptable due to application inadequacies. ***Any applicant who begins a project and incurs costs before receiving a fully executed grant agreement does so at his or her own risk.***

No project period may begin before the grant award date. The project shall have an end date of no later than September 30, 2012.

## How to Apply for a Grant?

Application Availability and Due Date: DEP is accepting applications for the PA State Clean Diesel Grant Program. The application opportunity and the due date are announced in the "*Pennsylvania Bulletin* (41 Pa.B. 43, October 15, 2011)" and on the DEP website. The Department reserves the right to offer an additional opportunity to apply for funds through the PA State Clean Diesel Grant Program within the same fiscal year. Any additional application opportunity and application deadline will be announced by a notice published in the *Pennsylvania Bulletin* and on the DEP website.

**The original grant application, three copies of the completed grant application and all attachments must be postmarked or hand delivered by 4 p.m. (EST) on December 15, 2011, at the following address:**

DEP - Bureau of Air Quality  
Air Resource Management Division  
Mobile Sources Section  
400 Market Street, 12<sup>th</sup> Floor, RCSOB  
Harrisburg, PA 17101-2301

Sufficient time should be allowed for mail delivery of the application. **Faxed or e-mailed copies will not be accepted. Late submittals will not be accepted.**

## DEP Assistance and Contacts

Questions regarding the grant program and application materials should be sent to the attention of:

Martin T. Felion at (717) 772-3939 or by e-mail at [mafelion@pa.gov](mailto:mafelion@pa.gov)

Questions concerning Grants Processing, Application Submission and Deadlines should be sent to the attention of:

Dawn Wolford at (717) 772-3433 or by e-mail at [dwolford@pa.gov](mailto:dwolford@pa.gov)

## APPLICATION INSTRUCTIONS

The instructions on the following pages describe the information required to complete the application. The application form must be typed or printed neatly and all applicable parts completed. The information **MUST** be complete and accurate. **Incomplete applications will not be considered.** Do not submit separate attachments other than those specifically called for in the instructions.

The PA State Clean Diesel Grant Program does not accept permanent bindings, cover sheets of any kind, e-mails, compact discs or faxes. Please use staples only and submit double-sided copies.

**Please be sure to indicate your organization and sign the application.** The authorized representative signing this section must be authorized by a board of directors, governing entity, etc., as the legal signatory for the applicant and the person capable of entering into a contract with the Commonwealth. The original signature **MUST** be dated.

- 1. Project Title:** Please assign your project a descriptive title of 10 or fewer words. Please use this title for all correspondence regarding this project.
- 2. Project Site:** Please provide the complete mailing address *of the project site*, including the nine-digit zip code (mandatory). List the actual street address (not a post office box number). Indicate the county and the municipality (township, borough, or city) in which the project is located. If your project is statewide, or will take place in more than one county, check the appropriate box and list as many counties as possible.
- 3. Applicant Information:** Be sure to use the applicant organization's legal name; do not use a fictitious name. The Mailing Address would include a post office box number if applicable.

Eligible applicants include:

- Businesses – corporations, partnerships, sole proprietorships, limited liability companies, business trusts or other legal business entities incorporated in the Commonwealth
  - Nonprofit Corporations – incorporated nonprofit organizations
  - Municipal Authorities, School Districts, and other State Agencies
  - Political Subdivisions – Pennsylvania municipalities or counties
- 4. Project Type:** Select only one type of project that best describes your proposal. If your project is multiple types of projects, please select the one that supports your grant request and results in the most quantified environmental and energy benefits.
    - Purchase of Retrofit Technologies – purchase and installation of retrofit technologies (exhaust controls and engine upgrades) certified or verified by EPA or CARB; selection for the proposed project may be a single technology or a combination of available technologies. Verified technologies can be found on EPA's website at: <http://www.epa.gov/otaq/retrofit/verif-list.htm>

- Purchase of Idle Reduction Technologies – purchase and installation of EPA- or CARB-verified idle reduction technologies; verified idle reduction technologies can be found on EPA’s website at:  
<http://www.epa.gov/otaq/smartway/transport/what-smartway/verified-technologies.htm#idle>
- Engine Re-power – costs of re-powering with a certified engine configuration of vehicles as part of a vehicle fleet
- Vehicle Replacement – costs of replacing with certified engine configuration of vehicles as part of a vehicle fleet (some funding sources, such as DERA Program funding, may only allow for the incremental cost(s) of replacement of vehicle)

**5. Discussion with DEP Regional or DEP Central Office Staff:** If you have contacted any DEP staff regarding this project, please identify the staff members with whom you have spoken.

**6. Facility or Infrastructure Projects:** Some PA State Clean Diesel Projects will require developing facilities or infrastructure for the project to be a success. For projects that involve developing facilities and infrastructure, state law requires that DEP consider local comprehensive plans and zoning ordinances in funding decisions. All applicants must answer the related question on the application. NOTE: PA State Clean Diesel Grant funds cannot be used for facility or infrastructure projects.

“Infrastructure” is a permanent structure for transportation, storage or dispensing of alternative fuels. “Facilities” are buildings and other structures that involve new land development or result in a change to the existing use of land that may involve research, development, production and processing of alternative fuels, or manufacturing of alternative fuel vehicles and related technologies.

**7. Other Submissions:** Has this project been submitted to any other state, federal or foundation grant program, or to any other potential funding source? If so, please specify which programs have been solicited. In addition, please include the date you expect to be notified of your award.

**8. Other Sources of Funding:** Occasionally, DEP receives applications for grants that are eligible for funding through other grant programs. Checking “yes” for this question will allow us to forward your application for consideration by other agencies such as Pennsylvania’s Sustainable Energy Funds, The Ben Franklin Technology Partnerships, and other state grant programs and private foundations. Checking “yes” will, in no way, preclude consideration for a PA State Clean Diesel grant.

**9. Brownfield Redevelopment:** Identify if the project is located on a Brownfield Redevelopment or Environmental Justice site. Brownfield Redevelopment includes many of the programs that support the voluntary cleanup program for designated projects. See the Brownfield Redevelopment and Environmental Justice Advisory Board website at [www.depweb.state.pa.us](http://www.depweb.state.pa.us) for more information.

- 10. Small Disadvantaged Businesses:** Identify if the project uses or will use Small Disadvantaged Businesses. Small Disadvantaged Businesses are small businesses that are owned or controlled by a majority of persons, not limited to members of minority groups, who have been deprived of the opportunity to develop and maintain a competitive position in the economy due to social disadvantages.
- 11. Project Duration:** Please indicate the length of the project (in months) between December 15, 2011, and September 30, 2012.
- 12. Budget Summary:** Please complete the budget data requested on the form provided. The bold black box will contain the amount of money you are requesting of the PA State Clean Diesel Grant Program. A detailed budget worksheet must also be completed. Please see #16 in the instructions. The detailed budget worksheet is intended to support and provide details to the budget summary. Please provide the summary information from your detailed budget information to illustrate the cost effectiveness of the proposal.
- 13. Total Reimbursement:** Indicate the total dollar amount you will request for reimbursement during the grant period and indicate if it is an actual or estimated amount.
- 14. Nonattainment or Maintenance Area:** The EPA designates Nonattainment or Maintenance Areas for fine particulate matter (PM<sub>2.5</sub>) and ozone (O<sub>3</sub>) national ambient air quality standards by county or partial county. The Pennsylvania designations for the 1997 8-hour PM<sub>2.5</sub> and ozone standard are listed in 40 CFR 81.339. The state designations can also be found at:  
<http://www.epa.gov/pmdesignations/1997standards/final/region3desig.htm> -and-  
<http://www.epa.gov/ozonedesignations/1997standards/regions/region3desig.htm>
- 15. Summary Statistics:** Summarize the expected energy, economic and environmental results or benefits and define measures of success in quantitative terms. Please provide details regarding how these results were calculated and how they will be measured upon completion of the project.
- 16. Detailed Budget Worksheet:** Please complete the detailed budget worksheet provided with the application form. The worksheet included as part of the application form must be used. Please include sheets that provide additional clarification. **A budget primer is attached following these instructions to provide further guidance on fitting expenditures into the budget categories.**
- 17. Attachments A-D: (suggested maximum length – 10 pages total; this suggested length does not include additional reference material such as a business plan, letter(s) of support and financial commitment, and literature referenced in B.3 below.)**
- A. Executive Summary: Provide an abstract of the proposal that briefly describes the issue, proposed steps to address the issue and the expected results or benefits. It should be clear, concise, specific and no longer than 500 words.



- B. Detailed Project Description: Provide a detailed project description focusing on the following items:
1. Goals and Objectives: Describe, in detail, the project's goals and objectives, including environmental and energy benefits.
  2. Business Plan: Applicants should demonstrate their ability to complete the project, show their need for funding and calculate the project's cost effectiveness. These elements should be provided in a concise manner that relates directly to the project.
  3. Need for the Project and Need for the Grant: Applicants should identify the problem to be solved or the need the proposal is intended to address. Explain why the problem or need exists and how your proposal addresses the problem or need. If applicable, discuss alternative approaches to solving the problem and why your solution is best. Explain why your proposal should be funded, and elaborate on its cost-effectiveness and environmental and energy benefits. Provide literature and references where appropriate.
  4. Environmental and Energy Benefits: Applicants should include a clear description of expected environmental benefits. Such enumeration of benefits should include careful estimates and calculations. Estimates and calculations include the environmental improvements (e.g., pounds of pollutant reduction). For projects claiming a benefit to air quality, emphasis should be placed on reductions in particulate matter, nitrogen oxides, volatile organic compounds and/or toxic pollutants.
  5. Economic Benefits: Applicants should identify if the project has an economic benefit. Additional potential benefits, such as job creation, savings to consumers, revenue generation for the Commonwealth, reduced dependence on foreign oil, decreased transportation, or production of operating costs should be included and explained. Such enumeration of benefits should include careful estimates and calculations.
  6. Partnerships: Applicants should identify any other organizations that will help to complete the project and specify the nature of their participation. Discuss in-kind services or match contributions. Please use values commensurate with professional ability and qualifications when calculating volunteer salaries. If you have not yet identified your contractors, please specify how you will select them.
  7. Work Plan with Schedule: Applicants should provide an implementation schedule identifying sub-tasks, schedule for their completion and identification of parties responsible for their accomplishment.
  8. Equipment Disposition: EPA State Clean Diesel Grant Program requires that all equipment being replaced, such as a diesel-powered engine or vehicle, be rendered permanently inoperable and disposed in an environmentally friendly manner. Applicant must visually (e.g., DEP on-site inspection or photograph) demonstrate that replaced equipment meets all

EPA and DERA requirements. If applicable, applicants should describe how equipment acquired with the grant will be converted for continued grantee use and how equipment replaced with equipment acquired with the grant will be disposed. (Equipment may revert to the Commonwealth unless a written request for conversion has been received and approved).

- C. Please explain in detail how the project summary statistics listed in item #15 were calculated, and how these results will be measured upon completion of the project.
- D. Please attach any letters of financial commitment, letters of support or any other pertinent information suitable for review.

## **A Primer for Fitting Expenditures within Budget Categories**

This is a guide to help grantees determine the types of project expenditures allowable under most Commonwealth grants.

### **A. Personnel**

In general, salaries for staff members contributing to the direct work of the project are eligible. Salaries are to be itemized by name and duties of staff members. This category cannot include any mark-up above the salary actually paid to employees for direct labor hours worked on the project, documented by timesheets. Benefits are covered separately below. Workers will only be reimbursed on an hourly basis for actual work performed on the project. Hourly rates will need to be verified prior to grant award by providing appropriate documentation. Tuition/course credit is not a reimbursable expense.

Generally, fringe benefits that are proportional to hours worked for the grantee's staff, itemized by names and duties of staff members for those contributing to the direct work of the project, are eligible. Benefits commonly include, among other items, health insurance, retirement, FICA withholding, workers compensation, and vacation and sick leave. Vacation and sick leave cannot be logged on time sheets as contributing to the work of the project. They can be included pro rata under benefits.

### **B. Contractual Category**

In some cases, a grantee may use a subcontractor to perform some or all of the grant work. Although the subcontractor selection process is determined by the grantee, DEP encourages grantees to use subcontractors in the most cost effective and efficient manner possible. In general, for a construction grant, the "contractual" category should not exceed 25 percent of the construction costs. If a subcontract is bid as time and materials, typical costs include:

- Salaries and benefits for direct work on the project when such services are not available from volunteers or regular grantee's staff (itemized by names and duties of the consultant firm's staff members);
- Expenses for materials directly attributable to the project, i.e., materials that are incorporated into the project and left or expended on site (e.g., hazardous waste disposal fees); and
- Expenses for rental fees for equipment directly attributable to the project and where not left on site.

### **C. Equipment (a single item exceeding \$5,000)**

Equipment dedicated or directly related to the implementation of the project is generally eligible (e.g., a diesel particulate filter cleaning bench). General use tools or equipment, such as computers, uniforms, copy paper, etc., are not considered dedicated equipment.

### **D. Supplies (a single item less than \$5,000)**

Only supplies dedicated to the project are allowable costs. Supplies not dedicated to the project are determined to be "administration." Some typical examples of allowable costs follow:

- Office supplies dedicated to the project

- Postage for project mailings
- Other office costs dedicated to the project
- Materials that can travel from site to site that are used for the project
- Equipment under \$5,000 dedicated to the project

#### **E. Matching Fund Requirements**

Matching funds can be met with cash, in-kind goods and services or some combination of the two. Successful grantees should be certain to identify and document all match contributions with the submittal of the Statement of Expenditures. Matching funds must be expended during the grant Period of Performance. Funds expended prior to the grant Period of Performance are not eligible. Costs claimed as matching funds can be paid for with other sources of grants, from the organization's normal operating budget, or out of fundraising specific to the project. Federal grant money cannot be used as matching funds for the State Clean Diesel Grant Program.

Cash Match: Examples of documentation include, but are not limited to:

- Copy of check from donor
- Letter of commitment from donor

Non-Cash Match: Charges allowed for match:

- Value of volunteers' donated time, including time to travel to work sites
- Rate related to nature of work, not to volunteers' usual charge rate, i.e.:
  - Manual labor would be calculated at prevailing rate for manual labor
  - Donated professional engineer's time would be calculated at prevailing rate for engineer's time
- Administrative costs
- Travel at State travel rates
- Publicity charges, public relations costs, advertisement fees, unless specific to the project
- Indirect costs not otherwise listed under an eligible category

Charges not allowed for match or for reimbursement:

- Any costs associated with lobbying, alcohol or allowance for bad debts
- Additional funds that were provided by DEP under another program
- Contract contingency costs and other rate factors that do not reflect actual expenses
- Costs associated with legal action against the Commonwealth
- Costs associated with illegal activities or substances
- Costs associated with goods or services for personal use of Board members, officers or others



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

PA STATE CLEAN DIESEL GRANT PROGRAM
PROJECT APPLICATION FY2011

This form is to be used to apply for the PA State Clean Diesel Grant Program. Please refer to instructions and guidance/guidelines for assistance.

Applicant: Based on information and belief formed after reasonable inquiry, I certify that the statements and information in this application are true and correct:

Submitted By: Applicant Organization Date

Printed Name Title

Signature

1. Project Title (ten words maximum):

2. Project Site (Street Address at Project Site):

Nine-digit Zip Code (mandatory)

County: Municipality:

County(ies) of operation:

Check if multiple counties or statewide

3. Applicant Legal Organizational Name:

Mailing Address:

Contact Person:

Phone: Fax: E-Mail:

- Organization type: Corporation Incorporated Nonprofit
Municipal Authority School District Municipal Government
Other State Agency Other (Specify)

Applicant's Federal Employer ID Number (FEIN) or Tax Number:

Applicant's SAP Vendor Number: \_\_\_\_\_

Is the applicant a business with fewer than 100 full-time equivalent employees?

Yes  No

4. Project Type (Choose the one category best describing the project, see instructions for detailed Project Type descriptions)

- Purchase of EPA or CARB certified/verified exhaust controls
- Purchase and installation an engine upgrade
- Purchase of EPA or CARB certified/verified idle reduction technology
- Diesel Vehicle Engine Re-power
- Diesel Vehicle Replacement

5. Please provide the name of the DEP staff person with whom you discussed your application, if any: \_\_\_\_\_

6. Are facilities or infrastructure developments or improvements needed for this project?  Yes  No

If yes, is your project consistent with a county, municipal or multi-municipal comprehensive plan or zoning ordinance?  Yes  No

7. Has this proposal been submitted to another source for funding?  Yes  No

Name of other source and anticipated award date: \_\_\_\_\_

8. May DEP share this proposal with other potential public or private funding sources?  Yes  No

9. Is the project located on a brownfield (a vacant, previously utilized site) or on a designated Environmental Justice site?  Yes  No

10. Will the use of Disadvantaged Business Enterprises, which includes disadvantaged, minority, women-owned and small business, be considered for this proposal?  
 Yes  No

11. Identify the project duration in months \_\_\_\_\_

**Please note: Project MAY begin upon grant award and MUST end by 9/30/2012.**

12. Budget Summary (Must be consistent with the attached Detailed Budget Worksheet):

Category	Grant Request (from DEP)	+	Match (from Applicant)	=	Project Cost (Total)
Personnel		+		=	
Contractual		+		=	
Equipment		+		=	
Supplies		+		=	
<b>Total for each column:</b>					

13. Indicate the total reimbursement you will request during the following periods (please ensure that the numbers add up to the requested grant amount): \$ \_\_\_\_\_

14. Is the project located or operates predominantly within an EPA designated Nonattainment or Maintenance Area for fine particulate (PM<sub>2.5</sub>) matter or ozone?  
 Yes  No

**NOTE** – Please indicate if the total is actual or estimated \_\_\_\_\_

15. **Summary Statistics.** Estimate the Proposed Annual Project Summary Statistics your project will return when completed. Applicants should enter as much data as possible. The data must be consistent with detailed statistics provided in the detailed project description.

A. Energy and Fuel Savings as a result of project deployment.

<i>(Insert more rows if necessary)</i>	Specify Type	Quantity	Quantity
liquid fuel saved		gals/yr	MBtu/yr
gaseous fuel saved		Mcf/yr	MBtu/yr

B. Cost Saving and Economic benefit as a result of project deployment

1. Energy/fuel cost savings (\$/yr) \_\_\_\_\_
2. Value of units/energy components manufactured, sold or deployed in PA (\$/yr) \_\_\_\_\_

C. Number of NEW jobs created by the Project

1. Permanent full-time \_\_\_\_\_
2. Permanent part-time \_\_\_\_\_
3. Temporary full-time \_\_\_\_\_
4. Temporary part-time \_\_\_\_\_

D. Number of jobs retained resulting from Project

1. Permanent full-time \_\_\_\_\_
2. Permanent part-time \_\_\_\_\_
3. Temporary full-time \_\_\_\_\_
4. Temporary part-time \_\_\_\_\_

E. Other economic development benefits

1. Savings to Pennsylvania consumers (\$/yr) \_\_\_\_\_
2. Revenue generated for other Pennsylvania companies and beneficiaries (\$/yr) \_\_\_\_\_

F. Environmental Benefit Data:

<i>(Insert more rows if necessary)</i>	Specify Type	Quantity
Air pollutant reduced	PM	lbs/yr
Air pollutant reduced	NO <sub>x</sub>	lbs/yr
Air pollutant reduced	CO <sub>2</sub>	lbs/yr
Air pollutant reduced	SO <sub>x</sub>	lbs/yr
Air pollutant reduced	VOC	lbs/yr

16. Please complete the attached detailed budget worksheet. Totals for each cost category should be entered on the applicable budget summary (item #12).

17. Please attach the following:

- A. An executive summary of your project (500 words or less)
- B. A detailed project description
- C. A detailed accounting of the Proposed Annual Project Summary Statistics
- D. Any letters of financial commitment and any letters of support



**Detailed Budget Worksheet**

**1. PERSONNEL**

TASK	PERSONNEL	HOURLY RATE	HOURS	BENEFITS	TOTAL COST
<b>TOTAL PERSONNEL SALARIES</b>					

**2. CONTRACTUAL**

**A. CONTRACTOR SALARIES (List billing rate by task. Salary ranges are not acceptable, see Primer for Fitting Expenditures within Budget Categories)**

TASK	CONTRACTOR	HOURLY RATE	HOURS	BENEFITS	TOTAL COST
<b>TOTAL CONTRACTUAL SALARIES</b>					

**B. OTHER CONTRACTUAL EXPENSES**

ITEM	COST
Other (List specific item)	
<b>TOTAL OTHER CONTRACTUAL EXPENSES</b>	

**C. TOTAL CONTRACTUAL (=A+B)**

CONTRACTOR SALARIES	OTHER CONTRACTUAL EXPENSES	TOTAL CONTRACTUAL

**3. EQUIPMENT**

ITEM	QUANTITY	COST PER ITEM	TOTAL COST
<b>TOTAL EQUIPMENT</b>			

**4. SUPPLIES (Non-Construction-Related Costs)**

ITEM	QUANTITY	COST PER ITEM	TOTAL COST
<b>TOTAL SUPPLIES</b>			

**5. MATCH**

Please use the following table to calculate matching contributions of cash, goods and services to be entered on the application form. All items listed must be accompanied by a letter of commitment.

CONTRIBUTOR	BUDGET CATEGORY	DESCRIPTION	STATUS (applied for, pledged or in- hand)	VALUE in DOLLARS
<b>TOTAL MATCH</b>				

## **GRANT APPLICATION SUBMITTAL INSTRUCTIONS**

An original and three copies of the completed Grant Application and all attachments must be received by 4 p.m. (EST) or postmarked on or before December 15, 2011, at:

DEP - Bureau of Air Quality  
Air Resource Management Division  
Mobile Sources Section  
400 Market Street, 12<sup>th</sup> Floor, RCSOB  
Harrisburg, PA 17101-2301

**NO PERMANENT BINDING – NO COVER SHEETS OF ANY KIND - STAPLES ONLY – DOUBLESIDED COPIES**

**NO FAXES OR E-MAILS WILL BE ACCEPTED.**

**LATE SUBMISSIONS WILL NOT BE CONSIDERED.**