



## North Texas Diesel Emissions Reduction 2024

### Call for Projects

#### Frequently Asked Questions



**Q: Due to mitigating circumstances, a current vehicle our fleet was seeking to retire did not accumulate the required 7,000 miles during each 12-month period for the last 24 months. Is there a waiver available that would still enable us to replace this vehicle?**

A: No, EPA cannot grant waivers under these circumstances. However, per pages 24 and 25 of the 2023 DERA NOFO (at [updated-dera-national-program-nofo-fy22-fy23.pdf](#)), “Vehicle mileage may be combined to reach the thresholds where two vehicles will be scrapped and replaced with a single vehicle.” An option is available to combine two current vehicles for a combined mileage amount and replace those two vehicles with one newer qualifying vehicle.

**Q: Can I combine Texas Volkswagen Environmental Mitigation Program funds with grant funds from this opportunity?**

A: No; combining these funds is not allowed due to different emissions reductions implications of the two funding programs.

**Q: On the application, why does NCTCOG require mileage/hours and fuel?**

A: NCTCOG requires 1) mileage/hours for vehicles or equipment, respectively, and 2) fuel usage to accurately compute cost per ton of NO<sub>x</sub> reduced. Providing the fields will allow staff to calculate emissions benefits.

**Q: On the application, what is the difference between default and actual values for mileage/hours or fuel, and how will it affect the grant award?**

A: Default values do not accurately reflect the organization’s real-world usage, especially if the activity idles longer because of its vocation or has a power takeoff unit. The emissions benefits contribute to 65 percent of the total project score, which is further defined under “Selection Criteria” in the Guidelines document.

**Q: Are locomotive idle reduction technologies eligible for funding?**

A: Yes. The eligible technologies include locomotive shore power installation and shore connection systems. Technologies used must be on the EPA SmartWay verified list, which for locomotive idle reduction technologies is located at <https://www.epa.gov/verified-diesel-tech/smartway-verified-list-idling-reduction-technologies-irts-locomotives>.

**Q: What are considered eligible costs of a replacement vehicle/equipment?**

A: Eligible costs include the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the equipment functional. For example, air conditioning on a school bus replacement would be considered an eligible cost. However, sledgehammers for a firetruck replacement would not be considered an eligible cost.

**Q: Are vehicles eligible for funding if the organization has already ordered them?**

A: No. Reimbursable activities may not start until after there is an executed agreement between the Rebate recipient and NCTCOG.

**Q: How do I find the engine family code?**

A: The engine family code (name) is a 12-character number/letter designation that can be found on the engine nameplate. A good resource to finding the engine family name is <https://www.epa.gov/importing-vehicles-and-engines/locating-vehicle-emissions-label>.

**Q: Are all CARB low-NOx engines eligible for the 35 percent funding level?**

A: Under the DERA program, a replacement vehicle whose engine is certified to meet a CARB low NOx standard can be funded at 35% (compared to the 25% funding for a replacement vehicle whose engine meets the EPA NOx emission standard, which is 0.20 g/bhp-hr). The California Air Resources Board (CARB) established Optional Low NOx Emission Standards for heavy-duty engines. There are currently three low NOx standards that an engine can be certified by CARB to meet: 0.02 g/bhp-hr, 0.05 g/bhp-hr, or 0.10 g/bhp-hr. In some cases, engines may test at emission levels at or below the Optional Low NOx Emission Standards, but they are not certified by CARB to meet the low NOx standard. In these cases, EPA will only provide funding at 25% for a replacement vehicle. There are currently no diesel fueled engines certified to meet the low NOx standard; all low NOx certified engines are natural gas or liquified petroleum gas (propane) fueled engines. However, not all new natural gas or propane engines are certified to the low NOx standard. For more information <https://nepis.epa.gov/Exe/ZyPDF.cgi/P10119PZ.PDF?Dockey=P10119PZ.pdf>.

**Q: What does disposition mean and what are disposition requirements?**

A: In general, disposition is rendering a vehicle and engine permanently inoperable by cutting both rails of the chassis completely through and cutting or punching a three inch (3") x three inch (3") or larger hole in the engine block. Please refer to the Disposition section of the Guidelines document for the NTDER 2024 Call for Projects for all disposition details ([www.nctcog.org/aqfunding](http://www.nctcog.org/aqfunding)).

**Q: What heavy-duty vehicles are available that utilize CARB low-NO<sub>x</sub> engines?**

A: A list of engines certified by CARB to meet the Optional Low NOx Emission Standards as of the date of this factsheet <https://nepis.epa.gov/Exe/ZyPDF.cgi/P10119PZ.PDF?Dockey=P10119PZ.pdf>.

**Q: The organization has a retirement schedule for the fleet but does not follow it, so replacements are not considered scheduled retirement. How can the organization determine if a replacement is an early retirement?**

A: If the organization has a retirement schedule, and abides by it, NCTCOG will evaluate the proposed project based on the early retirement discussion in the Guidelines and per the organization's retirement schedule. If the organization does not follow a retirement schedule, staff will evaluate your proposed project based on justification provided by the organization on why the replacement is not a scheduled retirement.

**Q: Does the organization need to submit a copy of the quote for the new vehicle/equipment with the application?**

A: Yes, per the Guidelines at least one price quote for each project type is required at time of application and will be the basis for determining the maximum rebate award amount based on applicable funding thresholds.

**Q: The organization's equipment operates for 500 hours each year but not all those hours are in the nonattainment area. Is the project still eligible for funding?**

A: Yes, if the equipment operates for at least 500 hours per year and it operates in the nonattainment area at least 51 percent of the time, it is eligible. However, for competitive evaluation, NCTCOG will evaluate cost per ton based only on the hours used in the nonattainment area.

**Q: Is there a limit on how many activities can be included in the application?**

A: No. NCTCOG reserves the right to award funding to all, some, or only one of the activities requested.

**Q: Can the organization implement fewer activities than the number of activities granted under an award?**

A: Yes.

**Q: Is there a special insurance requirement for a grant-funded vehicle?**

A: Per Article 8, Section 8.1 of the template Agreement, each grant-funded vehicle/equipment is required to have enough property insurance for the repair or replacement of the vehicle.

**Q: Is a company eligible for funding if its boundary is partly in the nonattainment area and partly out of the nonattainment area?**

A: Eligibility is based upon the geographic area in which the vehicle/equipment to be replaced operates. If the requested project is to replace an eligible vehicle/equipment that operates 51% in the nonattainment area (that is, the routes are in the nonattainment area), and the newly purchased vehicle/equipment will stay on the same routes, then yes, it is eligible.

**Q: What is the difference between gross vehicle weight rating (GVWR) and gross vehicle weight (GVW) for a vehicle or equipment?**

A: The gross vehicle weight rating is the maximum weight rating established by the chassis manufacturer, whereas the gross vehicle weight is the total weight of the vehicle (or equipment) and payload at a point in time. GVWR information is needed only for on-road (not nonroad) type projects.

**Q: What is the final date an order must be placed?**

A: Projects must be completed no later than 24 months from agreement execution which includes, new vehicle purchase completed, old vehicle disposition completed, new vehicle in service at the facility and final reimbursement document submitted to NCTCOG.

**Q: What is the minimum cost/ton of NOx emission reduced to be considered competitive?**

A: Competitiveness will depend on the number of eligible projects submitted and available funding.

**Q: If the company is nationwide, would the Risk Assessment be filled out for the entire company or the local branch that is applying for funding?**

A: The risk assessment would be for the whole company. In most cases, the main entity sets the policy and oversees any local/branch operation. The financials for the branch are included in the overall agency financials. These are also the people who will be the responsible party in the agreement.

The only business exception to this is for privately owned franchises. In the case of a franchise, it is a privately owned business and would be considered separate from the parent organization. The parent corporation would maintain the brand but the individually owned business would be responsible for their ultimate success or failure. Neither success nor failure would reflect on the parent organization.

**Q: If the company is nationwide, would the Clean Fleet Policy need to be applicable to the entire company or the local branch applying for funding?**

A: The policy would need to be adopted by the entire fleet. However, it has been our experience that nationwide private companies typically have their own policy that applies to their entire fleet which we would then accept the fleet's policy as having satisfied the Clean Fleet Policy requirement.

**Q: Can a fleet use a conventional purchase loan for the purchase of the new zero-emission vehicle?**

A: No, since the guidelines specifically state with cash on hand (not financed), financing with a conventional loan would not be following the guidelines provided by NCTCOG.

**Q: Would NCTCOG consider funding the replacement of a newer vehicle than 2009 (in this case, a 2013) with a zero-emission vehicle?**

A: Yes, based on EPA NOFO, pg. 21. Please see the chart below:

**Table 5: Medium and Heavy-Duty Truck, Transit Bus, and School Bus Project Eligibility**

Current Engine Model Year (EMY)	DOC +/- CCV	DPF	SCR	Verified Idle Reduction, Tires, or Aero-dynamics	Vehicle or Engine Replacement: EMY 2021+ (2017+ for Drayage)	Vehicle or Engine Replacement: EMY 2021+ Zero Emission <sup>2</sup> or Low-NOx <sup>3</sup>	Clean Alternative Fuel Conversion
older - 2006	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2007 - 2009	No	No	Yes	Yes <sup>1</sup>	Yes	Yes	Yes
2010 - newer	No	No	No	Yes <sup>1</sup>	No	Yes	Yes

<sup>1</sup>Auxiliary power units and generators are not eligible on vehicles with EMY 2007 or newer.

<sup>2</sup>Eligible fuel cell projects are limited to hydrogen fuel cell engine replacements for eligible urban transit buses, shuttle buses and drayage trucks, and hydrogen fuel cell vehicle replacements for eligible urban transit buses, shuttle buses, and drayage trucks.

<sup>3</sup> Please see the Low-NOx Engine Factsheet found on the [DERA National Grants](#) website for guidance on identifying engines certified to meet CARB's Optional Low NOx Standards.

**Q: Would NCTCOG consider a three-way swap for the program? The applicant would receive a zero-emission vehicle. The applicant would give their 2010-2016 vehicle to another entity. That entity would then scrap a 1996-2009 vehicle.**

A: Yes, but the scenarios require approval on a case-by-case basis, from NCTCOG and EPA as well. This will require a detailed scrappage plan for review and approval.

(From the EPA NOFO, pg. 31):

“If a 2010 engine model year (EMY) or newer highway vehicle is replaced, the 2010 EMY or newer vehicle may be retained or sold if the 2010 EMY or newer vehicle will replace a pre-2009 EMY vehicle, and the pre-2009 EMY vehicle will be scrapped. It is preferred that the scrapped unit currently operates within the same project location(s) as the 2010 EMY or newer vehicle currently operates, however alternative scenarios will be considered. All existing and replacement vehicles are subject to the funding restrictions in this section of the NOFO. All equipment must operate within the United States. Under this scenario, a detailed scrappage plan must be submitted and requires prior EPA approval.

If a Tier 2, Tier 3, or Tier 4 locomotive, marine, or nonroad vehicle, equipment and/or engine is replaced, the units may be retained or sold if they will replace a

similar, lower Tiered unit, and the lower Tiered unit will be scrapped. It is preferred that the scrapped unit currently operates within the same project location(s) as the original Tier 2, 3, or 4 unit currently operates, however alternative scenarios will be considered. All existing and replacement equipment are subject to the funding restrictions in this section of the NOFO. All equipment must operate within the United States. Under this scenario, a detailed scrappage plan must be submitted and requires prior EPA approval.”

**Q: Could a lease be funded?**

A: The new vehicles and/or equipment must be purchased to own with no leasing.

**Q: Can a current on-road vehicle be replaced with a lighter Gross Vehicle Weight Rating (GVWR) vehicle, i.e., a 33,000 pound GVWR truck be replaced with a 26,000 pound GVWR truck?**

A: Yes – if the replacement on-road vehicle GVWR designations are not in a larger weight class.

(From the EPA NOFO, page; 26):

“Highway: The replacement vehicle must not be in a larger weight class than the existing vehicle. Exceptions may be granted for vocational purposes and require specific EPA approval prior to purchase.”