



Alternative Fuel Vehicle Conversion Grant 2018 Responses to Questions

Agency Contacts for this Program

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Ohio EPA is offering an [Alternative Fuel Vehicle \(AFV\) Conversion Grant program](#) with a one-time allocation of \$5 million in state funds. After three rounds of public comment, the rules to implement the program became effective in December 2017. The grant application guidelines and application form were posted to the program website and the announcement of the funding opportunity was widely released on December 21, 2017. The date to submit grant applications was originally publicized as March 6, 2018. **Ohio EPA is delaying the application submittal date until March 20, 2018**, to allow more time for applicants to prepare their proposals.

A public information session was held on Thursday January 25th at 10:00 a.m. at ODOT headquarters, 1980 W. Broad St., Columbus, OH 43223. Conference calls were held Thursday February 8 and Tuesday February 27 with program staff to take questions. This document summarizes questions of general applicability and interest received, with responses from AFV program staff. It will be updated as additional questions are received.

Vehicle Eligibility

Question 1: Are school buses eligible?

Response 1: Yes, if the bus has a Gross Vehicle Weight Rating (GVWR) of at least 26,000 pounds. Lighter weight school buses are not eligible.

Question 2: What proof do applicants need to submit to show that the vehicle is at least 26,000 pounds?

Response 2: For new vehicle purchases, when submitting the grant application, write in the Gross Vehicle Weight Rating (GVWR) of the proposed new vehicle into the Fleet Data Reporting Spreadsheet for Proposed New Vehicle Purchases. Ask the Vendor who is providing a quote for the proposed new vehicle to include the GVWR in the quote. Later, when successful grant recipients submit a request for reimbursement, the request must include sales receipt documentation showing that the purchased vehicle GVWR is 26,000 pounds or more.

For existing vehicle conversions, when submitting the grant application, write in the GVWR of the existing vehicle into the Fleet Data Reporting Spreadsheet. Upload documentation from when the existing vehicle was purchased, or a photo of the GVWR listed on the vehicle nameplate on the engine, or documentation that can be downloaded from the bar code on the vehicle nameplate, to show the GVWR. Later, when successful grant recipients submit a request for reimbursement, the request must include this documentation for the converted vehicle.

Question 3: Is there a form to show that the vehicle is operating in Ohio?

Response 3: The grant application must include a certification statement signed by the project authorizing agent attesting that of the total miles driven by the recipient or any employee or agent of the recipient, over half will be within the state of Ohio. The project scope description must also include an explanation of how and where the new or converted vehicle will be used and registered, and the technology or procedures the applicant will use to track and ensure that more than half the miles will be driven in Ohio. Later when requesting reimbursement, successful grant recipients will be asked to reaffirm this information. Ohio EPA has not yet developed a form for this purpose.

Question 4: Will there be tracking and reporting requirements for this program?

Response 4: Ohio EPA does not anticipate requiring quarterly or annual reports from grant recipients in this program. The grant contract will include the same requirements as the language in the grant application certification statement, requiring the recipient to maintain the new or converted vehicle for a period of five years from the date of delivery or installation, and providing Ohio EPA access to funded vehicles and equipment, based upon reasonable notice of a request for such access, within a five-year period from the date of execution of the grant contract.

Question 5: When can a vehicle be purchased if you are awarded a grant?

Response 5: Once the grant recipient has returned the grant contract, and the contract is signed and executed by the Ohio EPA director, a copy of the executed contract will be returned to the grant recipient with an authorization to initiate the purchase or schedule the conversion of the vehicle. Purchases made or work performed prior to the date of contract execution and authorization will not be reimbursable with grant funds.

Question 6: How long after applications are submitted will it take for grants to be awarded?

Response 6: As applications are reviewed, Ohio EPA will post to the program website whether an application has been deemed complete and eligible. Ohio EPA hopes to complete review of all applications, and secure the Ohio EPA Director's approval of the grant awards within 6-8 weeks after the initial application submittal date on March 20th. Award letters and contracts will then be sent to grant recipients. After signature by both parties and execution of the grant contract, which normally takes around a month, recipients will receive authorization to proceed with the project. Ohio EPA anticipates that project authorizations will be issued in late June or early July in most cases.

Question 7: **What are the specific types of equipment eligible for reimbursement and what proof of cost is needed?**

Response 7: Please review sections 4.2 and 4.3 of the grant application guidelines and work with the proposed vendor or engine converter to ensure that the engine or conversion process has been appropriately certified by US EPA or the California Air Resources Board. Specific links are provided in the application guidelines. Grant applications must include a detailed quote from the vendor or proposed converter, that breaks out the costs in sufficient detail that Ohio EPA can determine their eligibility. Vendors and converters are strongly encouraged to consult with Alan Harness at Ohio EPA about what to include in their quotes.

Some confusion exists about the terminology between US EPA or CARB **certified** engine configurations for new vehicles, and **exemptions** that US EPA or CARB have granted from the anti-tampering provisions of the federal Clean Air Act to alternative fuel conversion manufacturers who have demonstrated that the emission controls in the converted vehicle or engine will continue to function properly and that pollution will not increase as a result of the conversion. Applicants for conversions must show that a proposed conversion system is compliant with US EPA's Final Rule 40 CFR 85 and 86, as discussed in the grant application guidelines. Later, successful grant recipients requesting reimbursement will be required to demonstrate that the conversion system used was indeed compliant with the rule.

Question 8: **How long must the vehicle operate in Ohio once awarded a grant?**

Response 8: Five years. See Response 4 above.

Question 9: **Is destruction of the old vehicle or engine required?**

Response 9: This program does not require destruction of the old vehicle or engine.

Question 10: **How will applications be scored?**

Response 10: Because this is a one-time funding opportunity, grants will be reviewed and awarded on a first-come, first-served basis. Ohio EPA will review applications in the order received to determine completeness and eligibility, and award grants to eligible projects until the available funds have been allocated. As explained in the grant application guidelines, Ohio EPA will maintain the list of complete and eligible but unfunded applications for at least a year, and reserves the right to reallocate funds to the next applicant if one of the grantees does not make good progress implementing their project.

Question 11: **The grants will not pay for the new vehicle engine?**

Response 11: No. The statute that created this grant program defines adjusted purchase price to include only “the portion of the purchase price that is attributable to the parts and equipment used for the storage of alternative fuel, the delivery of alternative fuel to the motor, and the exhaust of gases from the combustion of alternative fuel.” The maximum grant award shall equal the lesser of 50% of the adjusted purchase price of the new AFV, or of the cost of the conversion parts and equipment, as applicable, or \$25,000. See Ohio Revised Code 122.076 (A)(5) and (C)(2), at <http://codes.ohio.gov/orc/122.076>

The eligible engine components of an alternative fuel vehicle include the following:

- CNG, LNG or LPG storage tank
- Fill receptacle
- Fuel filters
- Pressure regulator
- CNG, LNG or LPG fuel feed system
- Dash mounted fuel selector switch and gauge
- Electronic control module, including engine management software
- Exhaust system.

Grant applicants proposing to purchase a new AFV may submit a vendor quote for the new alternative fueled vehicle and for the equivalent new traditional fueled (diesel or gasoline powered) vehicle. The applicant may propose the cost differential between the two as the adjusted purchase price of the new AFV, for purposes of determining the amount of the grant. The amount eligible for grant funding would be 50% of this cost differential.

Question 12: **How can we find out where to fuel our AFVs?**

Response 12: This would be a good question to put to the dealer or conversion facility you are requesting a quote from. The U.S. Department of Energy’s [Alternative Fuels Data Center](#) also provides maps and locations by fuel type.

Question 13: **Could you provide a list of CNG/propane conversion facilities in the state?**

Response 13: As a regulatory agency, Ohio EPA is not able to endorse particular vendors. An internet search produced a partial list of mostly out-of-state companies, at <https://www.thoughtco.com/compressed-natural-gas-conversion-companies-85555>. Clean Fuels Ohio provided some additional suggestions.

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[al%20%2Bgas%20%2Bconversions&utm_content=Con%20-%20Natural%20Gas%20Conversion](#)

- Question 14:** Do vehicles need to be both titled and plated in Ohio, as long as we can show they are operating more than half their miles within the state? In Florida's grant program we were able to title the unit in Illinois and get IRP plates for Florida. Is that the case for Ohio as well?
- Response 14:** Ohio law that created the program says that to be eligible, vehicles must be registered in Ohio for operation on public highways. Ohio's BMV does have an IRP plan, information at <http://www.bmv.ohio.gov/vr-irp-geninfo.aspx>.
- Question 15:** If we have both an EPA certificate and an ARB executive order for the engine we are applying for, should we submit both or is there one you would prefer to see?
- Response 15:** Please enter the EPA certificate in the fleet data spreadsheet, and mention the ARB number in the narrative.
- Question 16:** Applicants need to include an estimate of how much time will be needed to complete the project after the grant contract is executed. Is that when vehicles are delivered, paid for, reimbursement is requested, or after the five years that we're required to keep the vehicle?
- Response 16:** We would like to know how quickly you anticipate ordering the vehicle once purchase is authorized, and how long before you expect to take delivery and request reimbursement.
- Question 17:** The guidelines say that vehicles need to be ordered "90 days from notification of grant award." Do you know approximately when that notification will occur? The schedule also says that "request for payment is required within 18 months from the date the grant agreement is executed." Is this a different timeframe than the "notification of grant award"? Does this mean after everything is signed? If so, do you know approximately when this can be expected?
- Response 17:** Please see Response 6 above. Notification of award is the letter and grant contract we expect to send to grant recipients by late May.
- Question 18:** We are currently undecided on the exact configuration of truck (body and chassis) we are going to order, and are reviewing four different possibilities from two different vendors. Should we submit all the vendor quotes for all four possibilities, or would you prefer us to pick one quote (the most expensive) to submit? Is it OK if the final order is

different from the quote we submit in the application? The CNG engines are all the same, it is just the configuration of the cab and chassis we are still trying to figure out.

Response 18:

We would certainly prefer that you make some decisions before submitting the application, so that we don't needlessly hold back funds that another applicant could use. If this is not possible, the next question would be whether there is a significant difference among the four vehicle types in the "adjusted purchase price" of the grant eligible components. (See Response 11 above). Include the more expensive quote, and note in the project narrative that you are considering several options and vendors. Please include data for all the models under consideration in the fleet data spreadsheet, so that we can verify their eligibility. We would ask that you separate them with a blank line in between, and be sure the project narrative makes clear the number of vehicles you are actually requesting.

End of Responses to Questions