Agency Contacts for this Program

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Ohio EPA is offering the second application opportunity for the Diesel Mitigation Trust Fund grant program, with $12 million in funding available for projects to replace or repower eligible on-road vehicles and off-road fleets and equipment in 26 Ohio priority counties. The 2020 Request for Applications (grant application guidelines) was widely released on June 1, 2020, with an online application form available in Ohio EPA’s Customer Support Center. The deadline to submit applications is 3:00 p.m. on August 7, 2020.

Ohio EPA hosted webinars for interested grant applicants on June 4, June 9, and June 10, 2020. You can access the PowerPoint presentation and listen to the recorded webinar at https://epa.ohio.gov/oee/#131365122-vw-mitigation-grants.

Answers to questions received at these webinars are presented below along with answers to questions Ohio EPA staff are providing to email and telephone inquiries. Ohio EPA will continue to update this document throughout the application period.

Question 1: How can we access the PowerPoint presentation?

Response: You can access the PowerPoint presentation and listen to the recorded webinar at https://epa.ohio.gov/oee/#131365122-vw-mitigation-grants

Question 2: Why are there only 26 priority counties? If you are not in one of those counties, you won’t be awarded?

Response: The Volkswagen settlement applied very specific restrictions on how the states could spend the trust funds, including four criteria on where the funds could be spent. These included air quality, specifically counties not meeting federal Clean Air Act standards for ozone smog and fine particulate pollution, as well as the location of populations that have historically been disproportionately affected by the pollutants in diesel exhaust, and where the VW vehicles equipped with the illegal devices to turn off emission controls were registered. Ohio EPA used these criteria to develop the list of first and second priority counties for funding that are now listed in Ohio’s Beneficiary Mitigation Plan that was submitted to the Trustee of the court-approved settlement. Other Ohio counties with good air quality could not be included in the priority list for funding, and because the settlement criteria will not change, Ohio EPA does not
anticipate making any changes to the list of eligible counties for the program. We certainly appreciate the desire of all Ohioans to live in areas with good air quality, and to replace older, more heavily emitting vehicles with newer cleaner equipment. We will continue to publicize any other funding opportunities we become aware of, including US EPA’s national clean diesel grant competition and school bus rebate programs that will be offered again this fall and are available in some additional priority counties.

**Question 3:** Are there grants available for mechanic training for alternative fueled vehicles in addition to repowering or replacing vehicles?

**Response:** Training for fleet maintenance personnel is not an allowable use of funds from the VW settlement or the other grant programs Ohio EPA offers. Training opportunities are available from many purveyors and advocates of alternative fuel vehicles, and the US Department of Energy’s Alternative Fuels Data Center is also a good source of information. .

**Question 4:** For Port Cargo Handling Equipment, are there specific model year or Tier restrictions for the old equipment?

**Response:** To be eligible for replacement or repower with grant funds, existing, operable diesel-powered equipment must be replaced with comparable all-electric equipment. While there is no specific model year or Tier emissions eligibility requirement for the old equipment, replacing older, lower Tier equipment will be more cost effective at reducing emissions than replacing newer, current Tier equipment. Please review sections 4.8 and 5.8 of the 2020 Request for Applications.

**Question 5:** Assuming we are awarded the grant, when is it permissible to start bidding?

**Response:** The grant funds cannot be used to reimburse any purchases or activities that were initiated before an authorization to purchase is issued from Ohio EPA to the grantee after the grant is awarded and the grant contract is signed and executed by both parties. Ohio EPA must certify to the VW trustee that all funded projects comply with state competitive purchasing laws, which apply differently to public sector and private sector projects. A formal public bid process may not be required in all cases, and Ohio EPA encourages the use of cooperative purchasing agreements.

**Question 6:** Is the electric school bus program limited to eligible counties in Ohio?

**Response:** Funding for a pilot program demonstrating the effectiveness of all electric school buses will be offered separately later this year. Ohio EPA’s VW Beneficiary Mitigation Plan established the list of priority counties where any funds from the program may be spent, according to the four criteria set out in the trust agreement for states. The eligible counties will be the same for the pilot program.

**Question 7:** Can the program provide more than the 75% funding limit?

**Response:** While the Trust agreement for states allowed higher percentages for some categories of projects involving government owned vehicles and equipment, most states including Ohio have chosen to require grant recipients to pay a portion of the cost of their projects, in order to spread the available public dollars among more projects to achieve more emission reductions.
Question 8: With the Covid shutdown, can current year mileage be prorated?

Response: When entering annual miles traveled or annual operating hours for old diesel vehicles or equipment into the Fleet Data Spreadsheet, you may choose either data for calendar year 2019 or the most recent twelve-month period when the existing vehicle/equipment was being used in normal operations. Choosing calendar year 2019 will help offset the mileage loss due to the Covid shutdown.

Question 9: Have there been any changes to this year’s application from last year?

Response: Because the VW Trustee has approved other states’ decisions to fund cargo handling equipment operating in warehouses and distribution centers in addition to traditional ports, Ohio’s program will now allow these additional locations, within the 26 priority counties.

Question 10: If you have a current DMTF award, are you qualified to receive an award?

Response: Ohio EPA will not award a new DMTF grant for vehicle/equipment replacement to any applicant with an existing grant still open. Existing grant recipients who expect to complete all deliverables on their current grants (receipt of new vehicles, decommissioning of old vehicles, and submittal of reimbursement requests and closing reports) by July 31, 2020, are encouraged to apply this cycle.

Question 11: Why can’t new ultra-low NOx propane port equipment serve as replacements?

Response: The VW trust agreement limits the options for replacing port cargo handling equipment to all-electric.

Question 12: Where can we access application attachments?

Response: Application attachments can be accessed within the online application form in Ohio EPA’s customer support center, and are also posted on the VW program website at https://epa.ohio.gov/oee/#1844010579-dmtf-2020-request-for-applications. Applicants working within the online application form who have uploaded attachments can access those or edit the list by clicking on “account” as indicated by the blue arrow below:
Question 13: If new equipment is financed over a multiple year loan, will reimbursement be received from the program over the life of the loan?

Response: Grant projects must normally be completed within 24-36 months to be eligible for funding. Therefore, purchasing agreements that involve a longer time period would not be a good fit under this program.

Question 14: An organization that was funded had a similar application to what we want to do. Can we obtain a copy of the application as a guide for our application?

Response: Yes, please contact us and we will provide you with a copy of the application that was previously funded. Please note, however, that funding decisions are based, in part, on the competitiveness and cost-effectiveness of an application withing that grant cycle. While consulting a previously funded grant application would likely be helpful, it would not guarantee funding this cycle.

Question 15: Is there any other program that is specifically for all-electric replacements besides school buses?

Response: The VW trust agreement limits the available replacement fuel opportunities for port cargo handling equipment and airport ground support equipment to all-electric. Ohio’s Diesel Emission Reduction Grant (DERG) program allows a range of fuel options depending on the vehicle/equipment category, corresponding to the federal Congestion Mitigation and Air Quality funding guidelines.
Ohio’s VW Beneficiary Mitigation Plan laid out the funding parameters for the first three years of this grant program (2018-2020) and includes all fuel options allowed by the VW Trust Agreement for States. Ohio EPA believes that fleet managers are in the best position to determine what fuel to use based on a multitude of factors including the price and local availability of fuels and fueling infrastructure, vehicle and equipment warranties, tax and financial incentives, and training and certification of employees. Ohio’s Plan also says that “Ohio EPA will rely primarily on U.S. EPA’s Diesel Emissions Quantifier tool to estimate emission reductions during review of grant proposals.” This tool is frequently updated by US EPA, most recently in December 2019.

Question 17: Are electric vehicle charging stations and infrastructure eligible for funding?

Response: Ohio’s Beneficiary Mitigation Plan focuses available fleet vehicle grant funds on vehicle and equipment repowers and replacements that will directly reduce emissions, and does not allow for the use of these funds for associated charging infrastructure in these categories. Separately, the plan allocates maximum allowable 15% of Ohio’s allocated funds (roughly $11.25 million) for electric vehicle charging stations for Light Duty Zero Emission Vehicles (ZEVs). The first funding opportunity for these stations is expected to be announced in mid-2020.

Question 18: Are local government vehicles (specifically fire engines) eligible?

Response: The program can pay up to $150,000 to replace a model year 1992-2009 heavy heavy duty (class 8, GVWR 33,001 pounds and over) diesel truck or up to $110,000 to replace a model year 1992-2009 medium to heavy duty diesel truck (class 4-7, GVWR 14,001-33,000 pounds). Because the program purpose is to reduce diesel emissions, to be eligible for replacement dollars, the existing truck must travel at least 5,000 miles per year or have annual operating hours of 1000 or more per year. Diesel fire engines and heavy rescue ambulances within these weight categories are eligible but may have trouble meeting these minimum annual mile/operating hour requirements. Applicants are encouraged to check the specific vehicle records to see if they qualify and contact Ohio EPA with questions.

Question 19: What is the match requirement on shuttle buses?

Response: The match requirement varies by type of vehicle and type of applicant. For private company and nonprofits operating shuttles, the grant will replace up to 25% of the cost of a new diesel or alternative fueled shuttle bus (i.e., a 75% match requirement).

Question 20: How do I apply?

Response: Before beginning the application process, please review the 2020 Request for Applications. To apply for funding, please go to ohioepa.custhelp.com/app/apply and create an account. Once the account has been created, you can log in to the application system and apply for the Diesel Mitigation Trust Fund. Instructions for applying can be found here and are also provided on each page of the application.
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Question 21: If we are planning to replace some older (pre 2009) diesels in 2021, can we apply now for the credit and not replace it until 2021?

Response: These grants may be used for any vehicle purchases the applicant is planning to make within the next 24-36 months after the grant award, so 2021 purchases would be eligible. We normally issue 24 month contracts, but if any applicant would like to request a 36 month timeline for the project, they may include that request in the text box portion of the application describing the project timeline.

Question 22: Are forklifts eligible?

Response: Forklifts are eligible in the port cargo handling equipment category, but we are primarily interested in funding those that work outdoors. We will be scrutinizing applications and following up with applicants to determine whether or not this is the case.

Question 23: Is there a comprehensive list of eligible vehicles?

Response: Please read Section 4 and Appendix F of Ohio’s Request for Applications for a description of eligible vehicle types. Ohio’s eligibility language mirrors the language in Appendix D-2 of the VW settlement state trust agreement.

Question 24: Are small shuttle buses eligible for replacement with grant funds?

Response: Yes, as long as they meet the other eligibility criteria, old shuttles must be diesel powered of model year 1992-2009, have a Gross Vehicle Weight Rating of at least 14,001 pounds, and travel at least 5000 miles per year, with 75% or more of those miles taking place within Ohio’s 26 VW-eligible counties. New shuttles may be powered by any of the available fuel options (new diesel, propane, CNG, hybrid, or all-electric). The grant will pay no more than $100,000 per shuttle, and applicants should consult the Request for Application guidelines for the allowable percentage of funds they may request as a government-owned or non-government-owned fleet.

Question 25: Will it help us in the scoring to explain that our buses are serving three constituencies: regular school bus routes, parochial and special needs students?

Response: Scoring will be based on the cost effectiveness of the emission reductions the project can achieve, so factors like the age of the old buses and the miles travelled will be the strongest determinants. We would encourage you to include information about the different uses and routes the buses travel in the text box sections of the application about how the old buses are currently used, and how the new buses will be used, to help us better understand where and how they are operating.