



Diesel Mitigation Trust Fund (DMTF)

CORRECTED Request for Applications June 9, 2021

The State of Ohio Environmental Protection Agency (Ohio EPA) invites owners of port cargo handling, ground support, and freight switcher locomotive equipment in 26 Ohio priority counties to apply for grants to repower or replace diesel equipment with new equipment. Cargo handling and ground support equipment may be replaced with all-electric equipment. Switcher locomotives may be replaced with new diesel, alternative fuel or all-electric freight switchers. This program is supported with funds from Ohio's allocation under the Volkswagen Mitigation Trust Fund.

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Table of Contents

SECTION 1: REQUEST FOR APPLICATIONS (RFA) OVERVIEW

- 1.1 RFA Timetable
- 1.2 Program Background

SECTION 2: PROGRAM REQUIREMENTS

- 2.1 Fund Reimbursement Policy
- 2.2 Local Match Requirement
- 2.3 Advertising and Bid Procedures
- 2.4 Record Maintenance
- 2.5 Non-Performance

SECTION 3: APPLICATIONS

- 3.1 Electronic Application
- 3.2 Communication and Inquiries

SECTION 4: PROJECT TYPES AND REIMBURSEMENT RATES

- 4.1 DMTF Ohio Priority Counties
- 4.2 Freight Switcher Locomotives
- 4.3 Airport Ground Support Equipment
- 4.4 Forklifts and Port Cargo Handling Equipment

SECTION 5: DEMONSTRATING ELIGIBILITY

- 5.1 Eligibility of Switcher Locomotive Replacements
- 5.2 Eligibility of Switcher Locomotive Repowers
- 5.3 Eligibility of Airport Ground Support Equipment
- 5.4 Eligibility of Forklifts and Port Cargo Handling Equipment

SECTION 6: GENERAL REQUIREMENTS FOR ALL APPLICANTS

SECTION 7: PROJECT SELECTION CRITERIA

SECTION 8: APPENDICES

- Appendix A: Applicant Certification Statement
- Appendix B: DMTF Fleet Data Spreadsheet
- Appendix C: Map of DMTF Ohio Priority Counties
- Appendix D: Financial Requirements for Non-Government Applicants
- Appendix E: Instructions and Certificate of Vehicle/Engine Scrappage
- Appendix F: Definitions

SECTION 1: REQUEST FOR APPLICATIONS (RFA) OVERVIEW

1.1 RFA Timetable

- Release of RFA: June 7, 2021
- Ohio EPA information webinars for applicants (no pre-registration required):
- [Wednesday June 9, 1:00 – 2:00 p.m.](#)
- [Wednesday June 23, 10:00 – 11:00 a.m.](#)

Please click the appropriate link above to attend.

- Applications must be submitted online by **August 13, 2021, 3:00 p.m.**
- Grant Awards announced December 2021

Ohio EPA reserves the right to adjust the dates listed above, for whatever reasons it deems appropriate.

1.2 Program Background

The Ohio Environmental Protection Agency (Ohio EPA) Diesel Mitigation Trust Fund (DMTF) program provides grants to remove older more polluting diesel engines from use in priority Ohio counties, and replace or repower them with clean diesel, alternative fuel, or electric engines. Grants are funded with dollars allocated to Ohio from the Volkswagen Mitigation Trust Fund, as part of a court-ordered settlement to offset the excess air pollution emitted by some VW vehicles that violated the Clean Air Act.

Anyone interested in applying for a grant should first **review the application materials** posted on [Ohio EPA's DMTF Website](#) to understand project eligibility, public record and competitive purchasing requirements, and how applications will be reviewed and ranked.

The online application form is intended for grant requests for funding in amounts between \$50,000 and \$2,000,000, to replace or repower diesel engines in certain eligible types of cargo-handling equipment, airport ground support equipment and freight switcher locomotives. Applicants with larger project budgets than \$2,000,000 should contact Ohio EPA to discuss funding options before submitting an application. All funded equipment must meet US EPA emissions standards.

The total funding available for this competitive funding cycle is approximately \$13,500,000 in funds allocated to Ohio under the VW settlement. Approximately \$9,500,000 is available for cargo handling and ground support equipment, and \$3,850,000 for switcher locomotive projects. Applicants interested in larger switcher projects should discuss additional funding options with Ohio EPA.

Applicants interested in repowering traditional diesel engines should pay particular attention to the application guidelines to ensure that proposed conversions to alternative fuels do not violate [federal anti-tampering laws under the Clean Air Act](#).

Proposed projects should normally be completed within 24 months, but applicants may request a 36-month project period and provide justification within the "Schedule Narrative" portion of the online application.

Ohio EPA reserves the right to award the full amount requested, award a partial amount requested, or decline to fund any application. Ohio EPA also reserves the right to request additional information to assist in the review process; to reject any and all applications and make no awards under this program or make fewer and smaller awards than anticipated; or to fund partial projects.

SECTION 2: PROGRAM REQUIREMENTS

2.1 Fund Reimbursement Policy

This is a reimbursement program and applicants must provide their own funding to cover expenses as they are incurred. Grant applications must include a demonstration that the applicant can cover the full cost of the project prior to approval of the reimbursement if the grant is awarded. Projects selected for funding will then be reimbursed up to the amount authorized for that project after the awardee submits acceptable documentation to show that eligible expenses have already been paid by the awardee, and that old vehicles and equipment have been properly decommissioned.

DMTF funds may not be used to reimburse grant recipients for any grant expenses, including equipment purchased, prior to execution of the grant agreement and obtaining Ohio EPA authorization to proceed with the scope of work, as explained in Section 2.3 below. Applicants should plan accordingly for scheduling equipment purchases and installations.

2.2 Local Match Requirement

A local match of at least 25% is required for all projects, and higher matches are required from non-government applicants in some project categories, as indicated in Section 4 below. Grants will be awarded based on the cost-effectiveness of emission benefits Ohio EPA estimates will be achieved by the project. Applicants are strongly encouraged to provide a match greater than the minimum required, to improve the competitiveness of their applications. While the VW settlement allows some applicants to request larger percentages on some types of projects, all applicants should be aware that this grant program receives many more applications than we have funding available to support. In particular, applications requesting more than 25% of the cost of a replacement vehicle are unlikely to rank well in terms of cost effectiveness.

2.3 Advertising and Bid Procedures

Ohio EPA must certify to the Trustee of the Volkswagen Mitigation Trust that all vendors were or will be selected in accordance with state public contracting laws. Grant applicants should understand that the vendor who provided a price quote to accompany the grant application may not be the vendor ultimately selected in the competitive purchasing process. If applicable under Ohio public contracting laws, the grant recipient may be required to develop a bid package in consultation with Ohio EPA after the grant agreement is executed. The bid package includes all items needed to demonstrate compliance with applicable state standards and requirements:

- Documentation of Ohio EPA approval to specify any proprietary products or sole source waivers;
- Any plans, or standards and/or specifications, as appropriate to the project;
- Itemized estimate of costs for the project, certified by the grant recipient to be a true and accurate estimate of anticipated costs; and
- A bid proposal document to guide procurement and establish requirements applicable to the contract. The bid proposal document must properly incorporate any applicable state contract provisions as provided by Ohio EPA.

Once the bid package is approved, Ohio EPA will authorize the grant recipient to begin advertisement. Projects must be advertised at least 21 days, and advertisement of the bidding opportunity must be published in a newspaper of general circulation in the county where the activity for which bids are submitted will be conducted. The grant recipient will determine the low and best bidder in accordance with the requirements established in the bid proposal document. The rejection of any or all bids, or award of the contract to a bidder that was not the apparent low and best bid, must first be approved by Ohio EPA. The reason for selecting a bidder must be documented to ensure all pre-award requirements of the contract have been fulfilled.

Local governments may use a state term contract, or other competitive purchasing agreement, with prior approval from Ohio EPA.

NO advertisement for bids may be allowed and no project-related expenditures may be incurred prior to obtaining authorization to proceed from Ohio EPA. If the project is advertised or work were to begin before the authorization is received, the project will become ineligible for reimbursement.

2.4 Record Maintenance

DMTF grant awardees will be required to maintain all financial and other project related documentation for a period of five years, consistent with the executed Grant Agreement. Applicants should therefore include in the project narrative an explanation of the technology and/or procedures they will use to track and verify the use and movements of fleet vehicles. Additionally, records regarding the utilization and maintenance must be kept for the useful life of the vehicle.

Public financing requires transparency and documentation. Private sector applicants in particular should understand that their applications and documentation regarding reimbursed expenses and purchases made with public funds become public records. These records will be provided to the VW Mitigation Trust Fund trustee and are subject to public record requests and compliance review by Ohio EPA as the oversight agency. This information is not eligible for trade secret protection under Ohio law. Documentation regarding funded projects, including invoices submitted and approved for reimbursement, will reside in paper and electronic files at Ohio EPA that may be the subject of a public records request or audits.

2.5 Non-Performance

Applicants should not apply for a DMTF grant until they have firm project scopes, firm project schedules, and firm project fiscal commitments. Ohio EPA will not consider or approve more than one scope change from what was included in the submitted DMTF application.

If Ohio EPA determines that an awardee is not making satisfactory progress implementing the project, Ohio EPA may notify the grant awardee that the grant is being revoked and reallocate the funds to another eligible project applicant. Progress will be measured against the following milestones:

- Submittal of documentation that competitive purchasing requirements have been completed, and the vehicle repower has been scheduled, or the new vehicle has been ordered, within **90** days of execution by Ohio EPA of a grant award agreement;
- Submittal of final invoices for reimbursement of allowed expenses no later than the project period ending date in the executed grant agreement.

SECTION 3: PROJECT APPLICATION

3.1 Electronic Application

Grant applications must be submitted electronically to the Ohio Environmental Protection Agency no later than **3:00 p.m. August 13** in the electronic form posted in [Ohio EPA's Customer Support Center](#). No faxed, e-mailed or hand-delivered submittals will be accepted. Late submittals will not be considered. Applicants who do not receive email confirmation of receipt of their application within one business day should call 614-644-2873 or email derg@epa.ohio.gov.

An Ohio EPA Customer Support Center Account is required. If you do not remember whether you have an account with the Ohio EPA Customer Support Center, please check to see if you have an account by clicking [here](#), and enter your email address to request your username on the screen.

If you have a username in the system and don't remember your password, use your user name to request a password reset on the same screen.

If you do not have an account, click "Sign Up" to create your Ohio EPA Customer Support Center account.

[Create an Account and Password in Ohio EPA's Customer Support Center](#)

Please Note: If you are an applicant sponsor or a consultant, please log in using **your** account. Please do not create more than one account per email address, as this will make it difficult for you and for Ohio EPA to manage and process your submittals. Thank you.

All applicants will be required to provide the following **attachments** for each application:

- Completed fleet data spreadsheet (downloaded from within the on-line application)
- Signed Applicant Certification statement (downloaded from within the on-line application)
- Purchase quotes for new engines and new equipment
- For business and non-profit applicants: proof of creditworthiness

Applicants may upload other attachments as may be needed to be directly responsive to questions and information requested in the application. Ohio EPA discourages submitting attachments that are not directly responsive to questions and information requested in the application.

Applicants are no longer required to provide engine certifications and salvage (scrap) quotes. Ohio EPA will verify that the new engine is certified as part of the project eligibility review. Grant recipients will be required to document the salvage value received, and this amount will be deducted from reimbursement payments.

The online application form may not be used for the following types of projects:

- Projects involving infrastructure to support all-electric equipment, such as electric charging stations.
- Projects where multiple smaller vehicles or equipment are being replaced or repowered with a single larger vehicle or piece of equipment.
- Projects that are not eligible under the nine allowable uses of the VW Mitigation Trust Fund, but eligible under US EPA's Diesel Emission Reduction Act (DERA) under the DERA Option.

Applications will not be considered from entities with an open DMTF grant for vehicle or equipment replacement or repower. Those who are awarded a grant under this program may submit a new proposal during a subsequent grant cycle. Each new proposal will be reviewed based upon the criteria set forth in these guidelines, and in relation to the quality of other applications received during the same grant cycle. Entities who received a grant awarded by Ohio EPA in 2021 to install Level 2 electric vehicle charging stations may submit a grant application in this cycle.

3.2 Communication and Inquiries

Prior to the deadline for submission, two webinars have been scheduled for questions from prospective applicants, on the dates indicated in section 1.1 of this RFA. Call information and notes will be posted on [Ohio EPA's DMTF Website](#).

For questions regarding the online application, please contact:

Alan Harness at alan.hararness@epa.ohio.gov or 614-644-4838 for fleet data spreadsheet, engine technology, vehicle quote and emissions estimate questions, or

Carolyn Watkins at carolyn.watkins@epa.ohio.gov or 614-644-3768 for other questions.

SECTION 4: PROJECT TYPES AND REIMBURSEMENT RATES

NOTE: "All-Electric " engines or vehicles referenced in this section shall mean powered exclusively by electricity provided by a battery, fuel cell, or the grid.

4.1 DMTF Ohio Priority Counties

To be eligible for repower or replacement with grant funds, vehicles and equipment must be operating within designated Ohio priority counties. Owners of on-road vehicles must certify that during the most recent two years, 75% or more of the miles travelled by the vehicles were in one or more of these counties. Owners of off-road equipment must certify that during the most recent two years, 75% or more of the engine operating hours were in one or more of these counties. Grant recipients will be required to demonstrate that the new engines or vehicles also meet this percentage requirement. Written records must be maintained with the owner/operator of the approved project for a minimum 5 years.

A map of DMTF Ohio priority counties is included in Appendix C of this RFA.

First Priority Counties		Second Priority Counties	
Butler	Lake	Ashtabula	Stark
Clermont	Licking	Erie	Trumbull
Cuyahoga	Lorain	Greene	
Delaware	Madison	Lucas	
Fairfield	Medina	Mahoning	
Franklin	Portage	Montgomery	
Geauga	Summit	Ottawa	
Hamilton	Warren	Sandusky	

4.2 Freight Switcher Locomotives

Eligible freight switchers include pre-Tier 4 switcher locomotives that operate 1000 or more hours per year and move rail cars around a rail yard, as compared to a line-haul engine that moves freight long distances.

Eligible freight switchers must be scrapped.

Eligible freight switchers may be repowered with any new diesel or alternative fueled or all-electric engine(s) (including generator sets), or may be replaced with any new diesel or alternative fueled or all-electric (including generator sets) freight switcher, that is certified to meet the applicable U.S. EPA emissions standards as published in the CFR for the engine model year in which the repower or replacement occurs.

Non-government owners of eligible freight switchers may request reimbursement from grant funds in the following amounts:

- Up to 40% of the cost of a repower with a new diesel or alternative fueled (e.g. CNG, propane, hybrid) engine(s) or generator sets, including the costs of installation of such engine(s).
- Up to 25% of the cost of a new diesel or alternative fueled (e.g., CNG, propane, hybrid) freight switcher.
- Up to 75% of the cost of a repower with a new all-electric engine(s), including the costs of installation of such engine(s).
- Up to 75% of the cost of a new all-electric freight switcher.

Government owners of eligible freight switchers may request reimbursement from grant funds in the following amounts:

- Up to 75% of the cost of a repower with a new diesel or alternative fueled (e.g., CNG, propane, hybrid) engine(s) or generator sets, including the costs of installation of such engine(s).
- Up to 75% of the cost of a new diesel or alternative fueled (e.g., CNG, propane, hybrid) freight switcher.
- Up to 75% of the cost of a repower with a new all-electric engine(s), including the costs of installation of such engine(s).
- Up to 75% of the cost of a new all-electric freight switcher.

4.3 Airport Ground Support Equipment

Eligible airport ground support equipment includes vehicles and equipment used at an airport to service aircraft between flights, such as aircraft tugs, baggage tugs, stair trucks, pushbacks, forklifts, man lifts and belt loaders. These include:

- Tier 0, Tier 1 or Tier 2 diesel powered airport ground support equipment; and
- Uncertified, or certified to 3 g/bhp-hr or higher emissions, spark ignition engine powered airport ground support equipment.

Applicants who are unsure of the Tier rating of their existing equipment can find information at <https://dieselnet.com/standards/#na> or contact Alan Harness at Ohio EPA for assistance.

(Note that runway snow removal trucks, fuel trucks and semi tractors are not eligible to apply as ground support equipment this grant cycle. Owners of those vehicles with class 4-7 or class 8 existing engines of eligible model years may apply under one of the local freight truck categories, where more fueling options are available, if Ohio EPA offers another cycle of funding for local freight trucks in the future.)

Eligible airport ground support equipment must be scrapped.

Eligible airport ground support equipment may be repowered with an all-electric engine, or may be replaced with the same airport ground support equipment in an all-electric form.

Government and non-government owners of eligible airport ground support equipment may request reimbursement from grant funds in the following amounts:

- Up to 75% of the cost of a repower with a new all-electric engine, including the costs of installation of such engine.
- Up to 75% of the cost of a new all-electric airport ground support equipment.

4.4 Forklifts and Port Cargo Handling Equipment

Eligible port cargo handling equipment includes rubber-tired gantry cranes, straddle carriers, shuttle carriers, forklifts and terminal tractors, including yard hostlers and yard tractors, that operate outdoors within Ohio ports and distribution centers. Eligible forklifts include forklifts with greater than 8000 pounds lift capacity.

Eligible forklifts and port cargo handling equipment must be scrapped.

Eligible forklifts and port cargo handling equipment may be repowered with an all-electric engine, or may be replaced with the same equipment in an all-electric form.

Government and non-government owners of forklifts and port cargo handling equipment may request reimbursement from grant funds in the following amounts:

- Up to 75% of the cost of a repower with and new all-electric engine, including costs of installation of such engine.
- Up to 75% of the cost of a new all-electric forklift or port cargo handling equipment.

SECTION 5: DEMONSTRATING ELIGIBILITY

5.1 Eligibility of Switcher Locomotive Replacements

For purposes of the Diesel Mitigation Trust Fund, a freight switcher is defined as a locomotive that moves rail cars around a rail yard, as compared to a line-haul engine that moves freight long distances. Eligible freight switchers include pre-Tier 4 switcher locomotives that operate 1000 or more hours per year. Eligible freight switchers may be replaced with any new diesel or alternative fueled or all-electric (including Generator Sets) freight switcher that is certified to meet the applicable EPA emissions standards as published in the CFR for the engine model year in which the replacement occurs. Electric rail car movers other than locomotives are regarded by US EPA as off-road equipment, and are not eligible for funding under the switcher locomotive category.

Applicants for freight switcher replacements other than all-electric locomotives must upload a copy of the Certificate of Conformity from US EPA demonstrating that the new locomotive engine meets the applicable standards. To obtain this document, request it from your vendor or email US EPA at Imports@epa.gov and supply the following information:

- Model year of engine
- Type of engine (nonroad diesel or alternative fuel such as CNG, propane, or diesel-electric hybrid)
- Engine Family number (11 characters using both numbers and letters - printed on the emission label, which is located on the engine or in the engine compartment)
- Name of switcher locomotive owner
- Contact information (address, email address, or fax number where you want US EPA to send the Certificate of Conformity.)

Include a **price quote** on letterhead from the Original Equipment Manufacturer that the applicant proposes to purchase the new locomotive from. The quote must be dated within six months immediately preceding the date the application is submitted.

The **project scope description narrative (text box sections)** of the application should explain:

- How, when and where the replacement locomotive(s) will be used.
- Technology and/or procedures the applicant will use to ensure that the replacement locomotive(s) will be operated within Ohio.
- Technology and/or procedures the applicant will use to track and ensure that the replacement locomotive(s) will be maintained in accordance with manufacturer specifications.
- For alternative-fueled and electric locomotives, the availability of the alternative fuel or electric charging in the areas where the locomotive will most frequently operate.
- A demonstration that the applicant has the financial resources to cover the cost of the locomotive replacement(s), and explanation of the funding source that will cover the cost of project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contact is executed.

5.2 Eligibility of Switcher Locomotive Repowers

For purposes of the Diesel Mitigation Trust Fund, repower means to replace an existing switcher locomotive engine with a newer, cleaner engine or power source that is certified by US EPA to meet a more stringent set of engine emission standards. For purposes of the Diesel Mitigation Trust Fund, a freight switcher is defined as a locomotive that moves rail cars around a rail yard, as compared to a line-haul engine that moves freight long distances.

Eligible freight switchers include pre-Tier 4 switcher locomotives that operate 1000 or more hours per year. Eligible diesel freight switchers may be repowered with an engine certified for use with new diesel or a clean alternative fuel (such as CNG or propane), diesel engine replacement with an electric power source (e.g. grid, battery), diesel engine replacement with a fuel cell, or diesel engine replacement with

an electric generator(s) (genset).

Any new diesel or alternative fueled freight switcher must be certified to meet the applicable EPA emissions standards as published in the CFR for the engine model year in which the repower occurs. All-electric and fuel cell repowers do not require EPA certification. (Electric rail car movers other than locomotives are regarded by US EPA as off-road equipment. These are not eligible for funding under the switcher locomotive category.)

Applicants for freight switcher repowers other than to all-electric locomotive engines must upload a copy of the Certificate of Conformity from US EPA demonstrating that the new locomotive engine meets the applicable standards. To obtain this document, email US EPA at Imports@epa.gov and supply the following information:

- Model year of engine
- Type of engine (nonroad diesel or alternative fuel such as CNG, propane, or diesel-electric hybrid)
- Engine Family number (11 characters using both numbers and letters - printed on the emission label, which is located on the engine or in the engine compartment)
- Name of switcher locomotive owner
- Contact information (address, email address, or fax number where you want US EPA to send the Certificate of Conformity).

Include a **price quote** on letterhead from the Original Equipment Manufacturer that the applicant proposes to purchase the new engine from. The quote must be dated within six months immediately preceding the date the application is submitted.

The **project scope description narrative (text box sections)** of the application should explain:

- How, when and where the repowered engine(s) will be used.
- Technology and/or procedures the applicant will use to ensure that the repowered locomotive(s) will be operated within Ohio.
- Technology and/or procedures the applicant will use to track and ensure that the repowered locomotive(s) will be maintained in accordance with manufacturer specifications.
- For alternative-fueled and electric locomotives, the availability of the alternative fuel or electric charging in the areas where the locomotive will most frequently operate.
- A demonstration that the applicant has the financial resources to cover the cost of the locomotive repower(s), and explanation of the funding source that will cover the cost of project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contact is executed.

Note for locomotive repowers: Depending on the availability of certified engine rebuild kits, regulations may require that locomotive engines be upgraded to a lower emission level at the time of rebuild. Consequently, a locomotive repower project may overlap with an operator's requirement to install a certified engine upgrade kit at the time of rebuild. In this case, the project would be considered a mandated measure, and would not be fundable under the DMTF program. Before applying for the grant, the applicant should confirm that locomotive engine replacement project is not simply going to achieve the same benefit already required with a certified engine upgrade kit. Identify when the original locomotive was rebuilt last, when it is due for rebuild next, and if a certified rebuild kit is available.

5.3 Eligibility of Airport Ground Support Equipment

Include a **price quote** on letterhead from the Original Equipment Manufacturer or retailer that the applicant proposes to purchase the new equipment from. The quote must be dated within six months immediately preceding the date the application is submitted.

The **project scope description narrative (text box sections)** of the application should explain:

- How, when and where the new equipment will be used.
- Technology and/or procedures the applicant will use to ensure that at least 75% of the new equipment's annual operating hours will be within priority Ohio counties.
- Technology and/or procedures the applicant will use to track and ensure that the new equipment will be maintained in accordance with manufacturer specifications.
- The availability of electric charging in the areas where the equipment will be most frequently operated. List the proposed primary charging location for each piece of equipment. If charging infrastructure is not yet available, provide an explanation of who will provide the infrastructure and when it is expected to become available.
- A demonstration that the applicant has the financial resources to cover the cost of the equipment purchase(s), and explanation of the funding source that will cover the cost of project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contact is executed.

5.4 Eligibility of Forklifts and Port Cargo Handling Equipment

Include a **price quote** on letterhead from the Original Equipment Manufacturer or retailer that the applicant proposes to purchase the new equipment from. The quote must be dated within six months immediately preceding the date the application is submitted.

The **project scope description narrative (text box sections)** of the application should explain:

- How, when and where the new equipment will be used, including identification of the ports, intermodal yards and/or distribution centers where the equipment will operate.
- Technology and/or procedures the applicant will use to ensure that at least 75% of the new equipment's annual operating hours will be within priority Ohio counties.
- Technology and/or procedures the applicant will use to track and ensure that the new equipment will be maintained in accordance with manufacturer specifications.
- The availability of electric charging in the areas where the equipment will be most frequently operated. List the proposed primary charging location for each piece of equipment. If charging infrastructure is not yet available, provide an explanation of who will provide the infrastructure and when it is expected to become available.
- A demonstration that the applicant has the financial resources to cover the cost of the equipment purchase(s), and explanation of the funding source that will cover the cost of project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contact is executed.

SECTION 6: GENERAL REQUIREMENTS FOR ALL APPLICANTS

The following are general requirements that applicants will be expected to comply with, certify, describe in the project scope description narrative (text box sections) or upload additional documentation as attachments to the online application form:

1. Open DMTF Grants: Applications from entities with an open DMTF grant (other than for Level 2 electric vehicle charging stations) will not be considered for funding.
2. Applicant Certification Statement: The language pertaining to pending lawsuits in the Applicant Certification Statement has been modified to reduce the reporting burden on applicants. Among other things, the certification includes a statement that the applicant understands that they may not receive a grant if they are not in compliance with OEPA rules.
3. Minimum and Maximum Grant Awards: To be eligible for funding, the grant amount request per applicant should be no less than \$50,000 and no more than \$2,000,000. Applicants with projects

requiring more funding should contact Ohio EPA about other funding options before applying.

4. Mileage/Hours of Operation: To be eligible for funding, all off-road equipment being replaced or repowered (including, but not limited to, switcher locomotives, forklifts, and airport ground support equipment) must have logged at least 1000 hours of operation annually in the preceding two years.
5. Leased Vehicles: Leased vehicles are not eligible for funding under this program.
6. Engine/Vehicle Salvage: All engines removed from equipment during repower activities and all existing equipment replaced with new equipment *must be salvaged* within 90 days of taking delivery of the repowered or new equipment. The salvage value of the engines and replaced equipment will be deducted from the grant monies if the grant is awarded.
7. Financial Resources: Applications must demonstrate that the applicant has the financial resources to cover the cost of the equipment purchases and engine repowers included in the application, and explain the funding source that will cover the cost of project expenditures until reimbursement from the grant is approved.
8. Current Use: Applications must describe how, when and where the equipment or engines are currently used in normal duty service, including any seasonal changes in operation or periods when not in use. If operated on routes that regularly take the vehicles into counties that are not listed as priority counties for this program, explain the percentage of use that occurs outside the priority counties. If the project includes drayage trucks, identify the ports and intermodal facilities the drayage trucks haul cargo to and from.
9. New Use: Applications must describe any differences between how the replacement or repowered equipment will be used, compared to how the current vehicles are used.
10. Travel Limitation: Applications must describe the technology or procedure the applicant will use to track and ensure that the new equipment or repowered engines will be operated within eligible Ohio priority counties the required 75% percent of the time.
11. Maintenance: Applications must describe the technology or procedures the applicant will use to track and ensure that the new equipment or repowered engines will be fueled and maintained in accordance with manufacturer specifications.
12. Alternative Fuel Availability: Applications must explain the availability of electric charging stations or the alternative fuel in the areas where the new equipment will be most frequently operated. If the applicant does not own a charging or fueling station on site, give the location of the publicly available charging or fueling station most likely to be used, or document that the fleet has been granted access to some other charging or fueling station.
13. Ineligible Costs: The costs of preparing and submitting applications in response to this RFA are solely the responsibility of the applicant. The program shall not reimburse or contribute, in any way, to the cost of the preparation and submittal of the proposal.

Ineligible costs include but may not be limited to:

- Operating expenses and fuel costs, including incremental costs of fuel.
- Any project required by any law or other legally binding agreement.
- Work done or purchases made prior to official notice of Ohio EPA project authorization.
- Costs incurred for work or purchases not included in the approved project scope.
- Installation costs incurred from in-kind services or by an unauthorized vendor.
- Administrative costs.

SECTION 7: PROJECT SELECTION CRITERIA

Due to the competitiveness of the program, not all eligible projects will be approved for funding. DMTF project applications will be evaluated and ranked consistent with the scoring parameters below. Project selection for the DMTF Program will be accomplished by a committee comprised of staff from Ohio EPA and ODOT, with final project selections approved by the Ohio EPA Director. Decisions of the Director are final. Selected projects must also be submitted to the Trustee for the Volkswagen Mitigation Trust Fund.

The primary evaluation of eligible applications will be based on the following parameters:

- (a) Projected emission reductions of oxides of nitrogen (NOx), reported in tons per year; and
- (b) Cost-effectiveness of the emission reductions: The DMTF funded share of the total project cost described in the application will be divided by the estimated total emission reduction of NOx to determine the cost-effectiveness of the project, in dollars per ton of reduced emissions.

Applicants are encouraged to provide a stronger local match than the minimum 25% required, for the project to score better in terms of cost-effectiveness. Note that some categories of projects require a greater local match than 25%.

Secondary criteria considered by Ohio EPA in making grant awards will include:

1. The cost-effectiveness of projected emission reductions of particulate matter (PM2.5), carbon monoxide, hydrocarbons and other air pollutants;
2. promoting project and fleet diversity, by supporting the most cost-effective projects in all eligible categories; and
3. promoting geographic funding diversity, by supporting the most cost-effective projects within the identified priority counties in all targeted regions of the state.

Applications will not be considered from entities with an open DMTF grant. The committee may also consider the amount of DMTF funding an applicant has already received. The committee will consider an applicant's past performance on projects funded by Ohio EPA. Grant recipients who did not make satisfactory progress implementing their projects will not receive consideration.

SECTION 8: APPENDICES

Appendix A: Applicant Certification Statement

Appendix B: DMTF Fleet Data Spreadsheet

Appendix C: Map of DMTF Ohio Priority Counties

Appendix D: Financial Requirements for Non-Government Applicants

Appendix E: Instructions and Certificate of Vehicle/Engine Scrappage

Appendix F: Definitions

Appendix A:
Applicant Certification Statement

DMTF Applicant Certification Statement

Certification Questions

1. Does the applicant and/or company have any outstanding financial liabilities with state or local governments in Ohio? Does the applicant and/or company owe: a.) Any delinquent taxes to the State of Ohio (the "State"), a state agency or a political subdivision of the State such as a city or county? b.) Any monies to the State or a state agency for the administration or enforcement of the environmental laws of the State? c.) Any other monies to the State, a state agency or a political subdivision of the State that are past due? d.) Is the company the subject of any existing tax lien? e.) Is the company subject to any unresolved finding for recovery issued by the Ohio Auditor of State?

Yes No

2. Has the applicant, related companies, or any officers: a.) been convicted of a felony b.) Been convicted of or enjoined from any violation of state or federal securities law? c.) been a party to any consent order or entry with respect to an alleged state or federal securities law violation? d.) been a defendant in a civil or criminal action?

Yes No

If you have answered yes to any of the above, please provide a detailed explanation including, but not limited to, the location, amounts, and case identification numbers (if applicable) on a separate sheet.

Certification Statement

*Instructions: Please have the Authorizing Agent read the Statement of Certification below, **check every applicable box**, and sign the certification statement in Table 1, row a. Upload the signed Certification Statement as an Attachment in the online DMTF Application form. If the project is selected for funding, this statement will become a legally binding exhibit in the grant agreement.*

I certify that to the best of my knowledge the information contained in this application and in the supplemental material is correct and complete. I certify that the funding requested satisfies the eligibility requirements for this Program as represented in the Request for Proposals and related materials. I certify that I understand that the funding under this Program is subject to restrictions and other conditions listed in the Program Request for Proposals, including (inter alia):

- The applicant will use the funding under this Program for the specific purposes defined in the Program Request for Proposals.
- The applicant certifies that the vehicles and equipment to be purchased, repowered, or retrofitted with pollution control or anti-idle equipment under this Program conform to the Program requirements defined in the Program Request for Proposals.
- The applicant certifies that the vehicles and equipment to be replaced or repowered under this program are currently in good working order.
- The applicant certifies that the vehicles and equipment to be replaced or repowered under this program have operated the required percent of miles or hours as indicated in the application in one or more Ohio Priority Counties. The applicant also certifies that the new or repowered vehicles will be operated in Ohio Priority Counties for at least five years from the date of delivery or repower.

- The applicant will maintain the new vehicle, engine or pollution control equipment for a minimum period of five years from the date of delivery or installation.** As needed, the applicant will avail itself of the warranty in order to ensure that the equipment funded under this Program remains in good working order for at least five years following installation.
- The applicant certifies that the purchase of the products and/or services presented for reimbursement will be procured in a manner compliant with state and local procurement and contracting law. The applicant understands that grant recipients are responsible for providing proof that competitive procurement practices and applicable state and local law were followed. The applicant understands that if all or part of the products and/or service expenses presented for reimbursement were not procured or contracted in a manner compliant with state and local procurement and contracting law, those products and/or services are ineligible for reimbursement from the VW Environmental Mitigation Trust Fund.
- The applicant will not use funding under this Program to purchase hardware or services for which the applicant has received, or will receive, full payment from another source or under another program.
- The applicant will submit a closing activity and fiscal report to Ohio EPA upon completion of the project, an interim progress report every six months for the duration of the project if required by the terms of the grant contract, and for non-government fleets, an annual report for five years after completion of the project confirming that DMTF-funded vehicles or equipment are being operated in eligible Ohio counties in accordance with the requirements defined in the Program Request for Proposals.
- The applicant will provide the Ohio EPA access to vehicles and equipment being funded by this Program, facilities where the vehicles and equipment are located, and documentation related to funding received from this Program, based on reasonable notice of a request for such access.
- The applicant will use only fuel that is compatible with the equipment purchased or installed with funding from the Program, per the manufacturer's specifications.
- The applicant has received approval from the organization's governing body, to apply and make use of the funding under this program.
- At the time of fund disbursement, the applicant will have in place an emission reduction program, such as an anti-idling program, to reduce air pollution emissions.
- Where applicable under ORC 3517.13(I) or ORC 3517.13(J), the applicant's Authorizing Agent or spouse has not made, within the two previous years, one or more contributions totaling in excess of \$1,000 to the Governor or his campaign committees.
- Where applicable, the applicant is in compliance with the Federal Drug-Free Workplace Act of 1988 (41 USC Section 701, et seq.); state ethics laws and conflict of interest laws; and state regulations covering non-discrimination in hiring and affirmative action (ORC 125.111).
- The applicant is in compliance with all Ohio environmental laws and will remain in compliance with all Ohio environmental laws for the duration of the applicable grant period. The applicant understands that a grant may be unilaterally cancelled, terminated, or revoked at the sole discretion of the Ohio Environmental Protection Agency Director or designee if the applicant fails to comply with Ohio environmental laws during the applicable grant period.
- I authorize Ohio EPA to make any necessary inquiries to verify the information that I have presented. I acknowledge that the information in this application is not confidential and may be released as required by the Program.

- As an authorized agent of the Applicant, I hereby submit this Application to the State of Ohio, Environmental Protection Agency. I understand that any false statement in this record may subject the Applicant and Signer to criminal prosecution. I understand that additional information may be requested. I also understand that this document in no way constitutes a commitment of funds by the State of Ohio for any of its programs.

- I hereby represent and certify that the foregoing and attached information, to the best of my knowledge and belief, is true, complete and accurately describes the proposed activity/project for which the financial assistance is being sought. I am aware of Ohio Revised Code Sections 9.66(C) and 2921.13(D)(1) which outline penalties for falsification which could result in the return of all monies received and the forfeiture of all current and future financial assistance benefits as well as a fine of not more than \$1,000 and/or a term of imprisonment of not more than one hundred and eighty (180) days. I further agree to inform the Ohio Environmental Protection Agency of any changes in the foregoing information, which may occur prior to the time the Applicant, and the Ohio Environmental Protection Agency execute an Agreement.

- The undersigned warrants, certifies and represents that certain information in their application may be subject to the Open Public Records Act.

Table 1. Applicant Certification Signature

a. Signature of Applicant Authorizing Agent:	
b. Date:	
c. Name (<i>typed</i>):	
d. Title or relationship to applicant organization:	
e. Contact Information (<i>If different than the person identified in Table 1-1 of the Application</i>):	

Appendix B:

DMTF Fleet Data Spreadsheet

Download the fillable Excel spreadsheet within the online grant application form, or from the Diesel Mitigation Trust Fund program website:

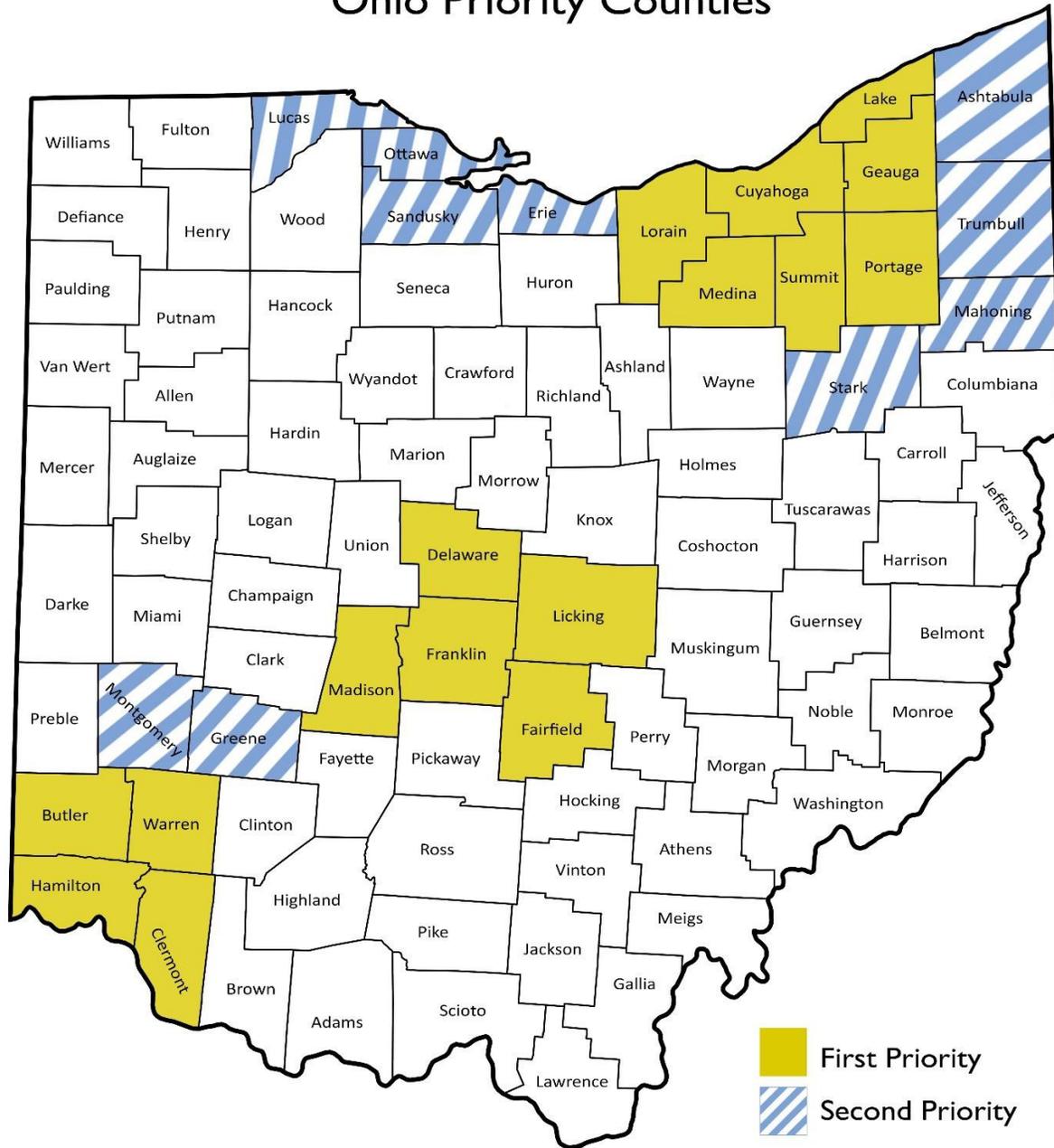
<http://epa.ohio.gov/oe/#131365122-vw-mitigation-grants>

Appendix C:

Map of DMTF Ohio Priority Counties

<http://epa.ohio.gov/Portals/42/documents/VW/DMTF%20priority%20counties%20final.jpg>

Diesel Mitigation Trust Fund Ohio Priority Counties



Appendix D:
Financial Requirements for Non-Government Applicants

Ohio Diesel Mitigation Trust Fund

Financial Requirements for Non-Government Applicants

Grant funding will be paid out as reimbursement of payments made by the recipients to cover actual costs incurred. Therefore, private sector and non-profit applicants must demonstrate the ability to provide sufficient funding to cover the upfront cost of the project in their application. This can be done by providing current documentation of any one of the following credit ratings:

Credit Agency	Rating
Standard & Poor's	AAA, AA, A or BBB
Dun & Bradstreet Viability	1, 2, 3, 4, or 5
Moody's	Aaa, Aa, A, or Baa
Fitch	AAA, AA, A, or BBB

If this demonstration cannot be made, a non-government applicant must submit a letter from a financial institution documenting they have time deposits (e.g. certificates of deposit), and/or funding available from a line of credit or loan, in an amount at least equal to the cost of the project. The financial institution shall be an entity whose operations are regulated and examined by a U.S. federal or state agency.

Appendix E:

Instructions and Certificate for Vehicle/Engine Scrappage



John R. Kasich, Governor
Mary Taylor, Lt. Governor
Craig W. Butler, Director

To: Recipients of Ohio Diesel Mitigation Trust Fund Grants for Vehicle/Engine Replacement Projects

From: Carolyn Watkins, Administrator, Ohio Diesel Environmental Mitigation Trust Fund

Date: June 4, 2018

Subject: Certificate of Vehicle/Engine Scrappage required for each replaced vehicle/engine

The [Environmental Mitigation Trust Agreement for State Beneficiaries](#) of the Volkswagen settlement requires the scrapping of all engines being repowered or replaced with grant funds:

"Scrapped" shall mean to render inoperable and available for recycle, and, at a minimum, to specifically cut a 3-inch hole in the engine block for all engines. If any Eligible Vehicle will be replaced as part of an Eligible project, "scrapped" shall also include the disabling of the chassis by cutting the vehicle's frame rails completely in half.

Ohio EPA requires that no later than 90 days after replacement, the old engine and chassis (where applicable) have been permanently scrapped. Scrapping the engine consists of cutting or punching a three inch by three inch (3" x 3") hole in the engine block. Scrapping the chassis consists of cutting completely through the frame/frame rails on each side of the vehicle at a point located between the front and rear axles. Photos of the scrapped engine/chassis are required pursuant to the terms and conditions of the grant agreement. Any other scrappage method or alternative disposition must be pre-approved by Ohio EPA in writing, and documentation of that scrappage method must be supplied with this form. Photo documentation must include JPEG images of the following, with corresponding file names:

1. Side profile of vehicle, vessel or equipment
2. VIN or HIN number
3. Engine Label with serial number
4. Chassis rail cut in half (for on-road vehicles)
5. Engine block, prior to hole
6. Engine block, after hole
7. Others, as needed

Please note that the form requires an original signature from the dismantler and from the grant Project Director or authorized representative of your company/agency as the owner of the vehicle, vessel or equipment. New vehicle or equipment purchases will not be reimbursed from Ohio's Mitigation Trust funds until complete documentation of the scrappage of the corresponding replaced vehicle or equipment is submitted. This form is available on [Ohio EPA's DMTF program Website](#). If you have questions about this form or requirement, or to request that Ohio EPA staff observe and assist in properly documenting the engine scrapping, please contact carolynwatkins@epaohio.gov or 614-644-3768.



Ohio VW Mitigation Trust Fund Grant Program
Certificate of Vehicle/Engine Scrappage

Grantee Name: _____ Grantee Number: _____

Vehicle Equipment Owner Name: _____

Vehicle/Equipment Owner Address: _____

Old Vehicle/Chassis Information

Make: _____ Vehicle ID Number: _____

Model: _____ Odometer Reading (miles): _____

Year: _____

Old Engine Information

Make: _____ Horsepower: _____

Model: _____ ID or Serial No.: _____

Year: _____ Hour Meter Reading: _____

Name of Dismantler: _____

Address of Dismantler: _____

Date Vehicle Accepted by Dismantler: ____ / ____ / ____

Signature of Dismantler: _____

Grantee/Authorized Representative

Date engine/chassis scrapped: ____ / ____ / ____

Statement: I certify that no later than 90 days after replacement, the old engine and chassis (where applicable) have been permanently scrapped. Scrapping the engine consists of cutting or punching a three-inch by three-inch (3" x 3") hole in the engine block. Scrapping the chassis consists of cutting completely through the frame/frame rails on each side of the vehicle/equipment at a point located between the front and rear axles. If other, pre-approved scrapping methods were used, details and documentation are attached. Photos of the scrapped engine/chassis that are required pursuant to the Terms and Conditions of the Mitigation Trust Fund award agreement are attached to this Certificate of Vehicle/Engine Scrappage.

Authorized Name (print): _____

Authorized Signature: _____ Date: ____ / ____ / ____

Note: Documentation must include JPEG images of the following with corresponding file names:

- 1) Side profile 2) VIN or HIN 3) Engine label 4) Chassis rail cut in half 5) Engine block, prior to hole 6) Engine block, after hole 7) Others, as needed

Appendix F:

Definitions

Adapted from Appendix D-2, Eligible Mitigation Actions and Expenditures, VW State Beneficiary Trust Agreement

<https://www.epa.gov/enforcement/environmental-mitigation-trust-agreements>

DEFINITIONS

"Airport Ground Support Equipment" shall mean vehicles and equipment used at an airport to service aircraft between flights.

"All-Electric" shall mean powered exclusively by electricity provided by a battery, fuel cell, or the grid.

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

"Certified Remanufacture System or Verified Engine Upgrade" shall mean engine upgrades certified or verified by EPA or CARB to achieve a reduction in emissions.

"CNG" shall mean Compressed Natural Gas.

"Drayage Trucks" shall mean trucks hauling cargo to and from ports and intermodal rail yards.

"Forklift" shall mean nonroad equipment used to lift and move materials short distances; generally, includes tines to lift objects. Eligible types of forklifts include reach stackers, side loaders, and top loaders.

"Freight Switcher" shall mean a locomotive that moves rail cars around a rail yard as compared to a line-haul engine that moves freight long distances.

"Generator Set" shall mean a switcher locomotive equipped with multiple engines that can turn off one or more engines to reduce emissions and save fuel depending on the load it is moving.

"Government" shall mean a State or local government agency (including a school district, municipality, city, county, special district, transit district, joint powers authority, or port authority, owning fleets purchased with government funds), and a tribal government or native village. The term "State" means the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"Hybrid" shall mean a vehicle that combines an internal combustion engine with a battery and electric motor.

"Infrastructure" shall mean the equipment used to enable the use of electric powered vehicles (e.g., electric vehicle charging station).

"Intermodal Rail Yard" shall mean a rail facility in which cargo is transferred from drayage truck to train or vice-versa.

"Port Cargo Handling Equipment" shall mean rubber-tired gantry cranes, straddle carriers, shuttle carriers, and terminal tractors, including yard hostlers and yard tractors that operate within ports.

"Repower" shall mean to replace an existing engine with a newer, cleaner engine or power source that is certified by EPA and, if applicable, CARB, to meet a more stringent set of engine emission standards. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with diesel or a clean alternate fuel, diesel engine replacement with an electric power source (e.g., grid, battery), diesel engine replacement with a fuel cell, diesel engine replacement with an electric generator(s) (genset), diesel engine upgrades in Ferries /Tugs with an EPA Certified Remanufacture System, and/or diesel engine upgrades in Ferries/Tugs with an EPA Verified Engine Upgrade. All-Electric and fuel cell Repowers do not require EPA or CARB certification.

"Scrapped" shall mean to render inoperable and available for recycle, and, at a minimum, to specifically cut a 3-inch hole in the engine block for all engines. If any Eligible Vehicle will be replaced as part of an Eligible project, Scrapped shall also include the disabling of the chassis by cutting the vehicle's frame rails completely in half.

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