



**FFY 2023
SOUTH CAROLINA
STATE DIESEL EMISSIONS REDUCTION ACT (DERA)
GRANT PROGRAM**

REQUEST FOR PROPOSALS

**SOUTH CAROLINA DEPARTMENT OF HEALTH
AND ENVIRONMENTAL CONTROL**

BUREAU OF AIR QUALITY

INTRODUCTION

This Request for Proposals (RFP) outlines the process of applying for funding to implement diesel emissions reduction projects in South Carolina. This package contains information on the background of the program, as well as information about the application procedures and a timeline of the process in awarding diesel emissions reduction grants. Selection criteria and project requirements are also included in this package.

BACKGROUND

The Energy Policy Act (EPAct) of 2005 (H.R. 6) incorporates plans to achieve significant reductions in diesel emissions. Section 793 of the EPAct authorizes the U.S. Environmental Protection Agency (EPA) to support grant and loan programs administered by states to achieve reductions in diesel emissions. This program is called the State Diesel Emissions Reduction Act (DERA) grant program, or State DERA, and was reauthorized on January 4, 2011.

Reducing diesel emissions is currently one of the most important air quality challenges in South Carolina. Although more stringent emission standards are taking effect for new heavy-duty on-road and nonroad engines, older diesel engines still in operation will continue to emit large amounts of nitrogen oxides, particulate matter, and air toxics for years to come. These pollutants affect many areas in our state and our ability to comply with the National Ambient Air Quality Standards (NAAQS), especially for ozone (O₃) and particulate matter less than 2.5 microns in diameter (PM_{2.5}). Reducing the amounts of these pollutants which enter our ambient air will positively impact both human and environmental health in South Carolina.

REQUEST FOR PROPOSALS

The South Carolina Department of Health and Environmental Control (SCDHEC) invites universities, private organizations, businesses, and any county, city, or other local government entities in South Carolina to submit applications for the South Carolina State DERA grant program. The total funding available for this grant program for Federal Fiscal Year (FFY) 2023 is approximately \$430,000.

Previous projects funded through South Carolina's State DERA grant program can be viewed on the [SCDHEC DERA webpage](#).

Entities should submit applications by **5:00 pm on Friday, April 26, 2024**, for primary consideration. Applications received after this deadline may be considered as funding is available. Please contact the DERA grant team at dera@dhec.sc.gov if you have any questions while preparing your application.

ELIGIBILITY CRITERIA

Eligible diesel emissions reduction solutions include verified emissions control technologies such as engine retrofits, cleaner fuels, engine upgrades, verified idle reduction technologies, verified aerodynamic technologies and low rolling resistance tires, certified engine replacements, and certified vehicle or equipment replacements.

Eligible diesel vehicles, engines and equipment may include buses, Class 5 – Class 8 heavy-duty highway vehicles, marine engines, locomotives and nonroad engines, equipment or vehicles used in construction, handling of cargo (including at a port or airport), agriculture, mining, or energy production (including stationary generators and pumps).

Key eligibility criteria include the following:

- Funds are to be used only for projects that reduce diesel emissions through EPA or California Air Resources Board (CARB) verified technology.
- The vehicle, equipment, and/or engine being replaced must be scrapped or rendered permanently disabled within 90 days of being replaced.
- On-road, nonroad, marine, and locomotive engine eligibility in Section X Tables 4 - 7 of the [2023-2024 State DERA Program Guide](#) must be met.
- All projects must meet the funding limits and cost-share/matching funds requirements set forth in Section XI Table 8 of [the 2023-2024 State DERA Program Guide](#).
- The replacement vehicle, engine, or equipment must be of similar type and gross vehicle weight rating or horsepower as the vehicle, engine, or equipment being replaced and must perform similar job duties. For on-road vehicles, you cannot purchase a vehicle of a larger weight class. For non-road vehicles/equipment, horsepower increases of more than 40 percent will require specific approval prior to purchase.
- Funding under this program cannot be used for the purchase of vehicles, engines, or equipment to expand a fleet.
- Pursuant to 42 U.S.C. 16132(d)(2), no funds awarded under this program shall be used to fund the costs of emissions reductions that are mandated under federal law.

This list of eligibility criteria is not exhaustive. Detailed eligibility criteria for this grant can be found in [2023-2024 State DERA Program Guide](#). Any unresolved eligibility criteria-related questions should be directed to the DERA grant team at dera@dhec.sc.gov.

APPLICATION REQUIREMENTS

These requirements must be met by all applicants:

- **Recipients may not seek reimbursement for funds expended or work began prior to the signing of their contractual agreement with SCDHEC.**
- Projects are to be completed within the timeframe indicated in the grant contract. Recipients will be reimbursed for qualifying purchases after invoice review and verification by SCDHEC staff.
- Quarterly and final reports must be submitted according to the timeline and criteria set forth in the grant contract.
- Applicants must provide a detailed description of the proposed project, as well as the total amount of funds requested. Cost-share/matching funds must be included and come from a nonfederal source.
- The application may not exceed ten pages in length, excluding letters of support.
- Applications submitted prior to **5:00 pm on Friday, April 26, 2024**, will be considered first for funding. Any funds remaining after this primary consideration deadline will be allocated as available for qualifying projects.
- Vehicles and equipment to be replaced under this grant must meet the criteria set forth in the EPA's eligibility statement. The eligibility statement can be found on the [SCDHEC DERA webpage](#). You must include a completed and signed eligibility statement with your application.

REVIEW AND AWARD PROCESS:

Awards will be made on a competitive basis. A review committee consisting of SCDHEC staff will review proposals. The committee will assign points to each proposal based on the criteria below. Proposals will then be ranked, and funding recommendations made according to ranking.

APPLICATION EVALUATION CRITERIA:

1. Expected benefits from the proposed project, including emission reductions. (Point Value: 0-20)
2. The ability to initiate and complete the project according to grant requirements and timeframes. (Point Value: 0-25)
3. The cost-effectiveness (reducing the most emissions for the least amount of money) of the project. (Point Value: 0-15)
4. The location of the planned project. Primary consideration will be given to projects in areas experiencing a disproportionate level of environmental impact from industry or other sources, including mobile sources; areas where criteria pollutants are near or exceeding the National Ambient Air Quality Standards (NAAQS); or areas with potential risks due to pollutants of concern. (Point Value: 0-15)
5. The degree of sustainability and permanence of the project. (Point Value: 0-15)
6. The level of innovation and strategy in the planned project. (Point Value: 0-10)

APPLICATION FORMAT

1. Application Cover Sheet, which can be found on the [SCDHEC DERA webpage](#).
2. Detailed budget for the proposed project, including cost-share/matching funds.
3. Detailed project description which explains what specific vehicles/engines/equipment will be purchased with grant funds and what specific vehicles/engines/equipment will be scrapped. Applicants should include pictures of their existing vehicles/engines/equipment, as well as information on make, model, year, engine information (Emissions tier, displacement, horsepower, number of cylinders), weight class (on-road vehicles), and VIN for the existing equipment or vehicle to be scrapped. The VIN for the new equipment or vehicle will be required to be submitted as part of the quarterly reports. Applicants should also be sure to address each of the evaluation criteria mentioned above including expected benefits, cost-effectiveness, location, etc.
4. Detailed timeline for the proposed project.
5. Biographical description of the applicant.
6. Completed and signed eligibility statement. See the [SCDHEC DERA webpage](#).
7. Emissions reduction estimates from [EPA's Diesel Emission Quantifier \(DEQ\)](#). (The DEQ is a tool which uses information about the engines/vehicles/equipment involved in the project to provide an estimate for potential emissions reductions.) Please include a screenshot or printout of the DEQ results page with your application.
8. Letter(s) of support, if applicable (not required).

PROJECT ADMINISTRATION

- If your project is partially funded, you may be required to submit a revised application.
- If your project is selected for funding, the following applies:
 - You must comply with all applicable provisions of Federal Regulations in 40 CFR Part 30, 40 CFR Part 31, 40 CFR Part 33, Subpart C, 40 CFR Sections 33.502 and 33.503 and the Federal Funding Accountability and Transparency Act.
 - You will need to provide the twelve-character Unique Entity ID (UEI) number for your business. The UEI may be obtained from [SAM.gov | Home](#).
 - **Recipients may not seek reimbursement for funds expended or work began prior to the signing of their contractual agreement with SCDHEC.**
 - Ten percent of the total allowable funding for the contract will be held by SCDHEC until the final report is received and all work requirements are approved by SCDHEC. The final report is due 15 days after the end of the contract period.
 - Reimbursement is by invoice only, and invoices may require up to 45 days for payment. The final project invoice must be received

with or before the final report deadline. Chosen applicants must also be willing to register as a vendor on the State’s Division of Procurement Services.

- Any funds left in the program after the completion of these requirements, including the ten percent withheld if no final report is received, will be used at the discretion of SCDHEC to fund additional diesel emissions reduction projects.

SUBMITTAL INSTRUCTIONS

<ul style="list-style-type: none"> • Proposals should be submitted electronically to dera@dhec.sc.gov and received no later than 5:00 pm on Friday, April 26, 2024, for primary consideration. • Proposals received after the deadline may be considered as funding is available. • All application and project requirements must be met. Incomplete proposals will not be considered for primary evaluation. Applicants may be allowed to resubmit proposals for consideration as funding is available.
<p>Contact: For questions, please email dera@dhec.sc.gov.</p>

PROGRAM TIMELINE

Month/Year	Task
March 2024	Request for Proposals (RFP) posted on SCDHEC's DERA webpage .
Friday, April 26, 2024	Deadline for primary consideration.
Late May, 2024	Selected recipients contacted to confirm participation.
Late July, 2024	Contract execution and announcement of awards.
15 days after the end of each quarter, according to the Federal fiscal year, (i.e., January 15, April 15, July 15, October 15), after contract completion.	Quarterly reports due to SCDHEC.
Prior to September 30, 2026	SCDHEC site visit, if deemed necessary.

September 30, 2026	Project and all grant requirements completed. Note the last quarterly report will be due October 15, 2026.
October 15, 2026	Final project report due to SCDHEC.