REQUEST FOR APPLICATIONS (RFA)

CLEAN DIESEL REPLACEMENT FUNDING 2025



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https://www.metroenergy.org

Due: May 2, 2025

RFA Issue Date	March 21, 2025
Pre-Application Meeting	April 17, 2025 (Registration link will be available soon)
RFA Questions Deadline	April 21, 2025
RFA Submission Deadline to MEC	May 2, 2025
Expected Date for MEC Selection Notification	May 9, 2025
Expected Timeframe for Negotiations	Selected Applicants will receive funding from secured resources provided by the Environmental Protection Agency (EPA).

Funding allocations:

Total available federal funding is \$1.75 million.

Cost-share requirements from applicants range from 55% to 75% of individual subaward project costs, depending on technologies deployed.

MEC plans to select up to six (6) projects, with proposed deployments scheduled within six (6) to fourteen (14) months of selection (deployment deadline: 05/31/2026).

Equipment eligibility (Amended):

Modifications to this RFA have been approved to allow a broader range of vehicle replacement technologies. Replacements of Class 5-8 diesel units with comparable vehicles powered by propane (LPG) or compressed natural gas (CNG) are now eligible for rebates of up to 25% of total vehicle costs. If new gaseous fuel vehicles meet the California Air Resources Board (CARB) low-NOX standard, they are eligible for rebates of up to 35% of total vehicle costs.

RFA Information: https://metroenergy.org/procurement/

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I. RFA Overview

This Request for Application seeks to select organizations that will replace their aging heavy duty diesel vehicles with electric and gaseous fuels (LPG and CNG)

Total federal funding available is approximately \$1.75 million. MEC expects to select up to six (6) projects, though we may select fewer or more.

Applications under this RFA are limited to replacement of eligible diesel vehicles with electric, compressed natural gas and propane vehicles, along with limited support for electric vehicle charging. Federal reimbursement will range from 25% to 45% of the total cost of purchase and installation, depending on the technology selected.

Follow-on activities including public engagement, workforce readiness training, and negative weather impact mitigation are allowed and encouraged.

These projects must achieve significant reductions in pollution emitted from diesel engines.

Applicant selections will be made within four weeks after the RFA closing date. MEC reserves the right not to select any Applicants or to offer partial funding to Applicants. Costs incurred during the application process are ineligible for reimbursement.

II. Program Goals and Benefits

Priority goals for Applicant selection include reducing criteria air pollutants affecting vulnerable populations, reduced use of petroleum diesel in school buses, electrification of heavy diesel vehicles, and Applicant participation in outreach and public awareness campaigns. In addition, EPA guidelines prioritize these short-term outcomes:

- Improvements within the goods movement sector, including rail and freight terminals, ports and distribution centers,
- Electric and gaseous fuels (LPG and CNG) vehicle deployments within communities hurt by air pollution,
- Inclusion of plans for workforce readiness and worker training through alternative <u>fuels</u> deployments involving drivers, technicians, mechanics and other essential personnel,
- Inclusion of plans to protect funded investments from negative weather impacts floods, storm damage, etc.

Data capture and lessons learned is an important goal and projects on the leading edge of technology are encouraged. These will be leveraged into project success stories and shared through our business and community relationships using targeted outreach and educational peer-to-peer presentations. Together, deployments and outreach will encourage the adoption of zero emission and clean fuel vehicles.

Long-term benefits and outcomes will include:

- Reduction of NOX, particulate matter, and other criteria air pollutants,
- Better air quality for communities hurt by pollution,
- Better market readiness for electric and gaseous fuel vehicle deployment, moving toward self-sustaining regional and national alternative fuel markets.

III. Eligibility and Programmatic Requirements

A. Eligible Entities

All organization types, public and private, are eligible to apply, but individuals are not eligible.

B. Site Locations

The RFA will prioritize projects in Kansas and Missouri. Locations in Iowa and Nebraska are also allowed.

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Further prioritized consideration will be given for projects that operate within nonattainment or maintenance areas for PM 2.5 and Ozone (see EPA's Green Book at https://www3.epa.gov/airquality/greenbook/mapnmpoll.html).

C. Funding Allocations and Cost-Sharing

Total available federal funding is \$1.75 million. MEC expects to select up to six (6) projects, though we may select fewer or more, depending on the quality and value of the applications received.

Cost-sharing requirements apply to all deployment project types and depend on technologies selected and deployed. Please see table(s) below. Applicants willing to forgo some funding (for instance, asking for a 20% reimbursement instead of the 25% maximum on a vehicle replacement) will improve their chances of approval, though doing so cannot guarantee success.

Table 1: Cost-Share Requirements

Eligible Technologies	EPA Reimbursement Limit / Cost Share	Mandatory Applicant Cost Share
Vehicle Replacement	<mark>25%</mark>	<mark>75%</mark>
Vehicle Replacement with CARB Certified Low NOx	<mark>35%</mark>	<mark>65%</mark>
Engine		
Vehicle Replacement with Zero-tailpipe-emission vehicle	45%	55%

The following table shows how cost sharing requirements can be applied to three different types of projects.

Table 2: Cost Sharing Examples:

Project Description	Total project cost	Cost Share Split	Federal Share/ Reimbursement	Local Cost Share
Replace 4 diesel transit buses with electric (\$450,000 ea.)	\$1,800,000	45% Federal 55% Applicant	\$810,000	\$990,000
Replace 4 Class 8 long-haul diesel tractors with CARB-compliant CNG units at \$205,000 ea.	\$820,000	35% Federal 65% Applicant	\$287,000	\$533,000

D. Equipment, Technology and Programmatic Eligibility

The vehicles being replaced must be powered by compressed natural gas (CNG); propane (LPG); or electricity. The vehicles being replaced must be Class 5-8 diesel vehicles – that is, with a GVWR of 13,001 pounds to over 33,001 pounds.

Eligible categories include school or transit buses, off-road terminal trucks (i.e. "hostlers", "yard goats", etc.), work trucks, trash haulers, short-haul delivery trucks and long-haul freight tractors.

Engine Model Year (EMY) of vehicles being replaced impacts the eligible technology that can be deployed or installed.

Table 3: Medium- and Heavy-Duty Truck, Transit Bus, and School Bus Eligibility

Current Engine Model Year (EMY)	Vehicle Replacement (EMY 2021+)	Vehicle Replacement (EMY 2021+ Zero-Emission or Low-NOx)
Older - 2006	Yes	Yes
2007-2009	Yes	Yes
2010 - Newer	<mark>No</mark>	Yes

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Other restrictions apply, as follows.

- Applicants cannot use DERA funding to enlarge a fleet, or for fueling infrastructure (except for limited electric charging support.
- All vehicles replaced under this program must be destroyed. There are specific requirements for the scrapping process, including prescribed methods, photographs, site visits, and sales receipts,
- Any income from scrapping old units will be subtracted from Applicant rebates.
- Old units must be scrapped within 90 days of the date that replacement vehicles are placed in service,
- Non-diesel vehicles are not eligible.
- The existing vehicle must be fully operational. It must be able to start, move, and have all necessary parts.
- The participating fleet owner must currently own and operate the existing vehicle and have owned and operated the vehicle during the two years prior to upgrade.
- The existing vehicle must have at least three years of remaining life at the time of upgrade. The remaining life is the fleet owner's estimate of the number of years until the unit would have been retired from service if the unit were not being upgraded or scrapped because of the grant funding. The remaining life estimate is the number of years of operation remaining even if the unit were to be rebuilt or sold to another fleet and depends on the current age and condition of the vehicle at the time of upgrade, as well as things like usage, maintenance, and climate.
- The mileage of two or more units may be combined to reach the thresholds below where two or more units will be scrapped and replaced with a single unit. To be eligible for funding, the existing certified highway engine/vehicle must have accumulated at least 7,000 miles/year during the two years prior to upgrade.
- The engine operating hours of two or more nonroad units may be combined to reach the thresholds below where two or more units will be scrapped and replaced with a single unit. To be eligible for funding, nonroad units should operate at least 500 hours/year during the two years prior to upgrade.
- To ensure the planned replacement or upfit is certified and eligible for use under these funds, and to confirm eligibility of old vehicles, search engine family names through the California Air Resources Board (CARB). These are listed by engine model year (EMY), type and original equipment manufacturer (OEM) at https://ww2.arb.ca.gov/new-vehicle-and-engine-certification-executive-orders.
- New vehicles must perform substantially the same work as the units they replace and have substantially the same horsepower and displacement. Increases of up to 10% of GVWR within an engine's intended service class may be allowed for vocational trucks, but the EPA must agree to variances like this before purchase.

IV. Criteria for Evaluation

All applications will be assessed by a Review Committee consisting of MEC staff and other members offering technical evaluations and assistance, as necessary.

Applicants will be notified if additional information or documentation is required. All the information required to complete the application for funding is provided in this RFA. Any additional information pertaining to submissions, including email and phone calls, will not be considered once the review process is under way.

When evaluating projects for funding, the Review Committee will consider the following criteria listed below. The overall quality of the application, containing all required information in a clear and concise

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format, is a prevailing consideration throughout all categories. The potential maximum number of points is listed to the right for each category.

Complete and eligible applications will be ranked in each of the following categories, weighted by rank, and given a final score.

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Table 4: Evaluation Criteria

Category	Weight
Deployment in nonattainment or maintenance area for criteria pollutants	25
Diesel fuel reduced (fuel volume displaced)	25
Duty Cycle: School / Transit Buses = Rank 1 Urban Freight/Multimodal Yards = Rank 2 All Others = Rank 3	15
Cost Effectiveness (cost-sharing percentage)	15
Operating Geography: KS/MO = Rank 1 NE/IA = Rank 2	10
Other Programs: Outreach Participation (5) Workforce Readiness (5)	10
TOTAL	100

V. Pre-Application Information and Q&A

A. Website and Notifications

MEC maintains information about this opportunity on its website at https://metroenergy.org/procurement/.

B. Pre-Application Meeting

The Pre-Application meeting will be held on April 17, 2025. During the meeting, MEC staff will conduct a walk-through of the RFA document. The meeting will be conducted online only, and attendees should register to access the meeting. A registration link will be available soon

Applicants will have the opportunity to ask questions about the program and application process. A recording of the meeting will be made for prospective Applicants who cannot participate at this time, and it will be posted on the RFA web page.

C. Questions and Answers

Applicants are also encouraged to submit questions in writing to rfa@metroenergy.org. Questions will be accepted until April 21, 2025. MEC will try to respond to all questions publicly via an FAQ on its website at https://metroenergy.org/procurement/. Emails should use the subject line: "Query for DERA RFA".

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VI. Application Forms and Submission

Applications must be received by May 2, 2025, at 4:00PM CDT. MEC is not responsible for technical or transmittal issues. Hard copy applications will not be accepted. E-mail your application to rfa@metroenergy.org subject: "Clean Diesel Replacement < Applicant Name>". Upon submission, Applicants will receive a receipt confirmation via email within two business days.

A. Application Form (Required)

Download the pdf application form to use all features and signature fields. Follow the instructions on the form.

Save as a pdf and name the file "ApplicantName_Application"

B. Budget and Fleet Data Form (Required)

Download the excel file from the procurement web page and follow the instructions in the Fleet Data tab. See also instructions and information in the Application Form.

Save as an excel file and name the file "ApplicantName_Budget"

C. Other Support Documents (Recommended)

In a combined pdf, provide other support documents, including vehicle and infrastructure quotes. Use links from section 3.B., to generate maps that show your project location in relation to, nonattainment or maintenance zones.

Combine all documents into a single pdf and name the file "ApplicantName OtherAttachments".

D. Additional Narrative (Optional)

If the spaces provided in the application form are inadequate, Applicants are welcome to state "See Additional Narrative" in the form fields and provide a longer narrative as an attachment (limit three (3) pages). More information is always welcome; however, the omission of the Additional Narrative will not affect your candidacy for selection.

Save as a pdf and name the file "ApplicantName Narrative."

Table 5: Summary of Application Documents

Required	Application Form
Required	Budget Table/Fleet Worksheet
Optional (recommended)	Other Support (quotes, maps)
Optional	Additional Narrative

VII. Selection Process

Additional information may be requested from Applicants by MEC prior to final determination. MEC is under no obligation to fund any application and reserves the right to deny applications for any reason. Funding is limited. Applications meeting all the program's general policy guidelines may not necessarily be selected. MEC reserves the right to delay any decision due to budgetary constraints.

MEC reserves the right to vary from the evaluation criteria listed within this document during the bid solicitation period as necessary or appropriate. Any modifications to evaluation criteria will be posted to MEC's website. It is the responsibility of the Applicant to check for these changes.

The Selection Notices are anticipated to be made by May 9, 2025, and Applicants will be notified of the Review Committee's determinations via email. Selected Applicants are expected to sign and return the Agreement to MEC within three (3) weeks of receiving the document unless otherwise noted in writing by the MEC Contract Specialist.

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Selection is based on a competitive process where applications are weighed against other applications and overall program goals. Changes unapproved by MEC to a selected Applicant's scope of work post selection will not be allowed and may result in nullification. Funding decisions are final.

VIII. Administrative Information

A. Proprietary and Confidential Information

Any restrictions on the use of or inspection of material contained within the application shall be clearly stated in the application itself. Written requests by the Applicant for confidentiality shall be submitted to MEC in advance of the application submission deadline, along with the application material.

Confidential and Proprietary information must be clearly identified, marked, and packaged separately from the rest of the application. Co-mingling of confidential and proprietary and other information is not acceptable.

Neither an application in its entirety, nor application price information will be considered confidential or proprietary. Any information that will be included in any resulting Agreement cannot be considered confidential.

B. Organizational Conflict of Interest – Requirements of this Application and Subsequent Agreement

Any business entity or individual may be ineligible for selection if they are found to have an "Organizational Conflict of Interest," as outlined below, in relation to this solicitation and the resulting Agreement. Applicants must disclose any potential conflicts of interest.

Individuals or business entities who have been engaged by MEC to assist in preparing the original application or who have had access to sensitive information related to this procurement process prior to the solicitation, including but not limited to requirements, statements of work, or evaluation criteria, will not be eligible to directly or indirectly apply. MEC considers such prior engagement or access as an Organizational Conflict of Interest, as it may create an unfair competitive advantage.

If MEC determines that an Organizational Conflict of Interest exists, MEC may choose to cancel the Agreement. If the Selected Applicant was aware of such a conflict prior to selection and did not disclose it, MEC may terminate the Agreement for default.

C. RFA Response Material Ownership

MEC has the right to retain original applications and other RFA response materials for its files. As such, MEC may retain or dispose of all copies as is lawfully deemed appropriate. MEC has the right to use any or all information presented in response to the RFA, subject to limitations outlined in the Section Proprietary and Confidential Information. The Applicant expressly agrees that MEC may use the materials for all lawful purposes, including the right to reproduce copies of the material submitted for purposes of evaluation, and to make the information available as required by law or regulation.

D. Binding Offer

An application submitted in response to this RFA shall constitute a binding offer. Acknowledgment of this condition shall be indicated by the signature on the application of the Applicant or an officer of the Applicant legally authorized to execute contractual obligations and shall bind the Applicant to the application. By applying, the Applicant affirms its acceptance of the terms and requirements of this RFA, including its attachments and appendices, without exception, deletion, or qualification - and does so without making its offer contingent. The Applicant further agrees to cooperate with MEC and expedite the contracting process upon notification. MEC reserves the right to make partial or no selections.

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E. Debarment and Suspension

By applying in response to this RFA the Applicant certifies that it, its principals, and proposed sub-contractors (if any):

- Are not presently debarred, suspended, proposed for disbarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal debarment or agency,
- Have not within a three-year period preceding the Due Date of this application been convicted of or
 had a civil judgment rendered against them for commission of fraud or a criminal offense in
 connection with obtaining, attempting to obtain, or performing a public (Federal, State or local)
 transaction or Agreement under a public transaction; violation of Federal or State antitrust statutes or
 commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making
 false statements or receiving stolen property,
- Are not presently under investigation for, indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local), and
- Have not within a three-year period preceding the Due Date of this application had one or more public transactions (Federal, State, or local) terminated for cause or default.

If the Applicant is unable to certify to any of the statements in this certification, an explanation must be provided as an attachment to the application. This explanation is exempt from page limitations on the application, if any apply. The inability of the Applicant to provide the certification will not necessarily result in disqualification. The explanation will be considered in connection with MEC's determination whether to select an Applicant.

F. Disclaimer

All statistical and fiscal information contained within this RFA, and any amendments and modifications thereto, reflect the best and most accurate information available to MEC at the time of RFA preparation. No inaccuracies in such data shall constitute a basis for legal recovery of damages or protests, either real or punitive, except to the extent that any such inaccuracy was a result of intentional misrepresentation by MEC.

G. IRS Form W-9

If the Applicant is selected to enter a contract with MEC, the Applicant will be required to provide an IRS Form W-9.

H. Incurred Cost

MEC is not liable for any cost incurred by the Applicant prior to issuance of a legally executed Agreement, purchase order or other authorized acquisition document.

I. Compliance with all Federal, State and Municipal Laws and Regulations

Successful Applicants shall comply with applicable Federal, State, and local laws and regulations in the performance of all work under the resulting Agreement. Successful Applicants shall obtain all Federal, State, and local permits, authorizations, and approvals of all work performed under the Agreement. This includes the governing grant agreement between MEC and the EPA.

J. Contractual Agreement

Successful Applicants will enter into a contractual agreement with Metropolitan Energy Center. In the performance of the work, successful Applicants will manage and expend funding to maximize benefits, including commencing expenditures and activities as quickly as possible, consistent with prudent management. If relevant, subcontract planning, evaluation, and selection of vendors will be required to align with the program's core goal as stated above.

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IX. Reporting and Payment Procedures for Successful Applicants

All funding is conditioned upon the veracity of information provided within the application and will require accountability and reporting by the successful Applicant. Such reporting will be in accordance with the procedures developed and prescribed by MEC. MEC staff will also conduct periodic site visits during and after installation to ensure compliance with the Agreement. The following reporting requirements will be included in MEC's Agreement with the Applicant:

A. Progress Reporting

Applicants will participate in monthly status calls with other project participants and will submit on a quarterly basis a written progress report of activities under this Contract. The preparation of reports in a timely manner will be the responsibility of the successful Applicant and failure to comply may result in the delay in payment of funds and termination of the Agreement, or both.

The report will refer to the status of work to be performed pursuant to this Contract, including a description of the deliverables and tasks completed during the reporting period. It will include a description of any findings or results, any unanticipated outcomes or roadblocks encountered, and any potential future applications of project results. The report will indicate clearly whether work is proceeding according to schedule, ahead of schedule or behind schedule. If the work is behind schedule, the report must include a summary of the reasons for the delay and a plan of action to bring the project back on schedule, which will be subject to review and approval by MEC prior to implementation.

The successful Applicant will produce and submit to MEC a project completion report that provides a comprehensive technical account of the total work performed. The report will document the successes, the results achieved, and lessons learned, and shall include a financial status summary.

Compliance with all local building and operational codes, as demonstrated by a signed permit or similar from the local Authority Having Jurisdiction (AHJ) is required for construction activities. Non-compliance will result in the nullification of the Agreement and repayment of any funds.

B. Annual Reporting

After the project concludes and through the life of the vehicles and any installed equipment, successful Applicants will track and report to MEC on an annual basis performance metrics of equipment, successes and problems encountered, and lessons learned. This data and information will aggregate with our Clean Cities Annual Report to help justify Federal program funding allocations nationwide.

C. Payments

Payments must be made in accordance with the provisions set forth in the Agreement. MEC will pay successful Applicants the reasonable, allocable, and allowable costs for eligible vehicles purchased and any equipment installed based on satisfactory monthly progress and required documentation of the work defined in the Agreement, as determined by MEC.

Successful Applicants will be compensated only for MEC approved equipment they deploy or install pursuant to the terms of the Agreement. Payment will also be contingent upon MEC's timely receipt and acceptance of the required reports described herein.

For more information:

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