School Edition Applicant Guide

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Division of Environmental Quality
Office of Air Quality

This applicant guide is effective as of Feb 1, 2025, and supersedes all previous versions of the Go RED! School Edition Applicant Guide.

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I. PROGRAM SUMMARY

The Reduce Emissions from Diesels (Go RED!) School Edition Program is a competitive funding assistance opportunity administered by the Department of Energy and Environment (E&E), Division of Environmental Quality (DEQ). The program is funded by the U.S. Environmental Protection Agency (EPA) under the Diesel Emissions Reduction Act (DERA). The Go RED! School Edition Program is a limited eligibility program that provides funding assistance for projects that reduce diesel emissions from school buses.

DEQ's Go RED! School Edition program is accepting applications for eligible diesel emissions reduction projects from Arkansas schools. Awards under the Go RED! School Edition Program will be capped at $80,000 per applicant.

The amount of funding assistance for selected projects is dependent upon the type of project. Funding assistance is provided as a reimbursement of a percentage of eligible expenses up to a maximum per applicant award value after demonstrating to DEQ the successful completion of the approved project. A mandatory cost-share is required for all projects funded under the Go RED! School Edition Program. Section IV of this Applicant Guide outlines eligibility for each project type. Section VI details maximum funding assistance, percentages, cost-share requirements, and per applicant award caps. DEQ retains the right to partially fund projects.

DEQ will not award funds for projects begun prior to final execution of a Memorandum of Agreement (MOA) between DEQ and the applicant, signed by all parties. The MOA specifies the conditions required for reimbursement of the applicable percentage of eligible costs. Generally, projects selected for funding assistance must be completed and final reports and documentation received by DEQ within nine months of the effective date of the MOA. DEQ may grant extensions to this timeline upon request from the project.

The Go RED! School Edition Program will open on February 1, 2025, and the deadline is March 31, 2025, at 11:59 p.m. Central Standard Time (CST).

Applicants must submit their application online at https://eportal.adeq.state.ar.us/app/#/formversion/13099852-5b3b-45ad-943e-58a7dfab6aa0.

II. DEFINITIONS

CARB means the California Air Resources Board.

Engine upgrade means removal of parts on an engine during a rebuild and replacement with parts that cause the engine to represent an engine configuration which is cleaner than the original engine.

National Ambient Air Quality Standards (NAAQS) means ambient air quality standards promulgated by EPA under 40 C.F.R. Part 50 to provide public health protection and protect the public welfare from risks associated with elevated concentrations of carbon monoxide, lead, particulate matter, nitrogen dioxide, ozone, and sulfur dioxide.

Hybrid means a vehicle that combines an internal combustion engine with a battery and electric motor.

Memorandum of Agreement (MOA) means the formal contract between DEQ and the applicant that outlines the eligible expenses, allowable reimbursement amounts, reporting requirements, photographic evidence obligations, records retention requirements, and additional documentation required for reimbursement of project costs.

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 funding under the Go RED! School Edition program. 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. The remaining life estimate depends on the current age and condition of the vehicle at the time of upgrade, as well as criteria like usage, maintenance, and climate.

Repower means to replace a vehicle's or equipment's engine(s) with a freshly manufactured engine or power source.

School Bus is defined as a passenger motor vehicle designed to carry a driver and more than 10 passengers that the federal Secretary of Transportation decides is likely to be used significantly to transport preprimary, primary, and secondary school students to or from school, or an event related to school.

Scrap value means income from selling salvaged vehicle components.

Zero tailpipe emissions power source means an onboard power source for a vehicle or equipment that does not produce emissions (e.g., fuel cells, electric).

III. BACKGROUND

Diesel vehicles and equipment are used in a variety of sectors to serve the needs of Arkansans. However, all diesels, particularly older diesels, emit harmful substances into Arkansas' air, including air toxics, nitrogen oxides (NO_X), particulate matter (PM), carbon monoxide (CO), and hydrocarbons (HC). Additionally, constituents of diesel emissions may react to form other pollutants, including ground-level ozone and fine particulate matter.

These pollutants can cause serious health concerns, especially for children, the elderly, and people with respiratory problems. Nationally, these pollutants are linked to premature deaths, asthma attacks, lost workdays, and numerous other health impacts every year. In addition to health impacts, air pollutants emitted by diesels can cause or contribute to smog and haze. Reduced visibility from these air pollutants is not just a problem where emissions occur. Because ozone and fine particulate matter can travel long distances, emissions of precursors for these pollutants can cause or contribute to haze even in remote locations.

The air quality in Arkansas meets all national ambient air quality standards (NAAQS). However, areas that are heavily traveled by older medium- and heavy-duty diesel vehicles, and places where these vehicles idle, such as truck stops or schools, may have elevated short-term localized impacts from diesel emissions. Localized impacts can also occur near ports and rail yards. In addition, Arkansas has two types of areas requiring special attention under the Clean Air Act (CAA): counties where ozone and fine particulate matter concentrations are close to or exceeding the NAAQS and two wilderness areas that are designated for visibility protection under the federal Regional Haze Rule.

There are three counties in the state where recent monitor data indicates ambient concentrations of pollutants near to the level of the NAAQS. Both Crittenden County and Pulaski County monitors have recorded ambient concentrations of ozone that are close to the level of the current ozone NAAQS. Crittenden County is also designated as a maintenance area due to past exceedances of a previous ozone NAAQS. In addition, Pulaski County and Union County monitors also have concentrations of fine particulate matter close to the level of the current annual fine particulate matter NAAQS. Therefore, special attention is needed to ensure that these areas continue to experience emission reductions to reduce the risk of NAAQS exceedances.

Arkansas has two designated wilderness areas where DEQ must address haze caused by man-made pollutants pursuant to EPA's Regional Haze Rule. These areas are referred to as Class I areas. Arkansas' designated Class I areas are the Upper Buffalo Wilderness in Northwest Arkansas and the Caney Creek Wilderness in Southwest Arkansas. Reducing emissions that contribute to haze, near the Class I areas and throughout the state, helps make progress toward the goal of restoring natural visibility conditions in these areas.

Emissions from diesel-powered vehicles and equipment can be reduced by installing exhaust controls, reducing the amount of time spent idling, upgrading or replacing the engine, or replacing an older diesel vehicle with a new vehicle with lower emissions. These emissions reductions result in improvements in air quality and reduced health risks related to the exposure to diesel exhaust and other air pollutants emitted by diesel vehicles. DEQ seeks to incentivize these diesel emissions reduction projects by providing funding assistance under the Go RED! School Edition Program. Applicants are encouraged to describe in

their proposals any special air quality concerns in their areas of operation and how their proposed projects would benefit air quality.

IV. ELIGIBILITY

A. Eligible Applicants

Any school district that meets all of the following criteria is eligible to apply for funding assistance under the Go RED! School Edition Program:

- The applicant proposes an eligible project (see the "Eligible Diesel Vehicles, Engines, and Equipment" and "Eligible Project Types" sections).
- The applicant owns the equipment involved in the proposed project.
- The equipment to be upgraded or replaced is currently operational and has operated in the state of Arkansas for two years prior.

The upgraded or new equipment will continue to be operated in Arkansas for five (5) years after completion of the project. Additional documentation demonstrating proof of operation, business registration, and other related eligibility requirements may be requested prior to approval of any project. DEQ reserves the right to withdraw from any agreement pending conflicting evidence. Individuals are not eligible to receive funds unless they are applying on behalf of a school district.

B. Ownership, Usage, and Remaining Life Requirements

1. The existing vehicle, engine, or equipment must be fully operational. Operational equipment must be able to start, move, and have all necessary parts to be operational.
2. The participating fleet owner must currently own and operate the existing vehicle or equipment and have owned and operated the vehicle or equipment in Arkansas during the two years prior to upgrade.
3. The existing vehicle, engine, or equipment must have at least three (3) years of remaining life at the time of upgrade. 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. The remaining life estimate depends on the current age and condition of the vehicle at the time of upgrade, as well as criteria like usage, maintenance, and climate.
4. **Highway Usage:** 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.

    a. 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.

5. **Documentation Requirements:** Participating fleet owners must attest to each applicable criterion in 1–6 above in a signed eligibly statement that includes each vehicle's make, model, year, vehicle

identification number, odometer/usage meter reading, engine make, model, year, horsepower, engine ID or serial number, and vehicle/equipment registration/licensing number and state.

C. Eligible Diesel Vehicles, Engines, and Equipment

Projects eligible for funding under the Go RED! School Edition Program may include diesel emissions reduction solutions from the heavy-duty diesel emission source types listed below.

1. School Buses

Includes diesel powered school buses of Type A, B, C and D. A "school bus" is defined as a passenger motor vehicle designed to carry a driver and more than 10 passengers, that the Secretary of Transportation decides is likely to be used significantly to transport preprimary, primary, and secondary school students to or from school or an event related to school.

D. Eligible Project Types

Project types eligible for funding and eligibility criteria under the Go RED! School Edition Program are described below. Funding restrictions are described in Section V. Funding assistance percentages, cost-share requirements, and maximum per applicant awards are described in Section VI.

1. Vehicle and Equipment Replacement Projects

Eligible replacement vehicles and equipment include those powered by diesel or clean alternative fuel engines (including gasoline), electric generators (gensets), hybrid engines, and zero tailpipe emissions power sources (battery or fuel cell).

To be eligible for funding, replacement vehicles and equipment must be powered by engines certified by EPA and, if applicable, CARB emission standards. Zero tailpipe emissions vehicles and equipment do not require EPA or CARB certification. EPA's annual certification data for vehicles, engines, and equipment may be found at: www.epa.gov/compliance-and-fuel-economy-data/annual-certification-data-vehicles-engines-and-equipment. EPA's engine emission standards may be found at: www.epa.gov/emission-standards-reference-guide/all-epa-emission-standards. Currently, there are no diesel fueled engines certified to meet the low NOx standard; all low NOx certified engines are natural gas or liquified petroleum gas (propane) fueled engines. However, not all new natural gas or propane engines are certified to the low NOx standard. Engines certified by CARB may be found by searching CARB's Executive Orders for Heavy-duty Engines and Vehicles, found at: https://ww2.arb.ca.gov/new-vehicle-and-engine-certification-executive-orders-compression-ignition-and-heavy-duty-engines. Additional engine types that are CARB certified can be found here under their respective EO category: https://ww2.arb.ca.gov/new-vehicle-and-engine-certification-executive-orders. Please also see the Low-NOx Engine Fact Sheet found at https://nepis.epa.gov/Exe/ZyPDF.cgi/P10119PZ.PDF?Dockey=P10119PZ.pdf for guidance on identifying engines certified to meet CARB's Optional Low NOx Standards.

2. Engine Replacement

Eligible replacement engines include those certified for use with diesel or clean alternative fuel (including gasoline), electric generators (gensets), hybrid engines, and zero tailpipe emissions power sources (battery or fuel cell).

To be eligible for funding, replacement engines must be certified to EPA or, if applicable, CARB emission standards. However, zero tailpipe emissions engine replacements do not require EPA or CARB certification. EPA's annual certification data for vehicles, engines, and equipment may be found at: www.epa.gov/compliance-and-fuel-economy-data/annual-certification-data-vehicles-engines-and-equipment. EPA's engine emission standards may be found at: www.epa.gov/emission-standards-reference-guide/all-epa-emission-standards. Engines certified by CARB may be found by searching CARB's Executive Orders for Heavy-duty Engines and Vehicles, found at: https://ww2.arb.ca.gov/new-vehicle-and-engine-certification-executive-orders-compression-ignition-and-heavy-duty-engines. Additional engine types that are CARB certified can be found here under their respective EO category: https://ww2.arb.ca.gov/new-vehicle-and-engine-certification-executive-orders. Please also see the Low-NOx Engine Fact Sheet found at https://www.epa.gov/sites/default/files/2020-02/documents/420f20010_0.pdf for guidance on identifying engines certified to meet CARB's Optional Low NOx Standards, Certified Remanufacture Systems

E. Project Eligibility Criteria

Existing engines and new vehicles, engines, and technologies must meet the eligibility criteria specified below to be eligible for funding. Table 1 lists eligibility criteria for school buses based on engine model year of the existing vehicle. In the table, "Yes" means the project type is eligible and "No" means the project type is not eligible.

Table 1: Medium and Heavy-Duty Truck, Transit Bus, and School Bus Project Eligibility

Current Engine Model Year (EMY)	Diesel Oxidation Catalyst (DOC) +/- Closed Crankcase Ventilation (CCV)	Diesel Particulate Filter (DPF)	Selective Catalytic Reduction Systems (SCR)	Verified Idle Reduction, Tires, or Aerodynamics	Vehicle or Engine Replacement		Clean Alternative Fuel Conversion
					EPA-Certified Engine[1]	Zero Emission[1] or CARB-Certified Low NOx Engine[1]	
Older–2006	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2007–2009	No	No	Yes	Yes[4]	Yes	Yes	Yes
2010–newer	No	No	No	Yes[4]	No	Yes	Yes

[1] The replacement vehicle or engine must have an EMY of 2021 or later.

F. Eligible and Ineligible Project Costs

Eligible project costs are those directly related to implementation of the project. The following list is not exhaustive. See Section V for additional funding restrictions.

1. Eligible project costs include the purchase price of eligible vehicles, engines, and equipment as defined in Section IV. These costs are subject to mandatory cost share requirements defined in Section VI.
2. **Training:** Eligible project costs include mechanic/driver training related to the maintenance and

operation of new technologies.

3. **Battery Electric Powered Vehicles and Equipment:** Eligible costs for battery electric powered vehicle, equipment, and engine replacement projects can include the purchase and installation of one charging unit per vehicle, including the unit and charging cable, mount, and/or pedestal. These costs are subject to the mandatory cost share requirements defined in Section VI. Ineligible costs include power distribution to the pedestal, electrical panels and their installation, upgrades to existing electrical panels or electrical service, transformers and their installation, wiring/conduit and its installation, electricity, operation and maintenance, stationary energy storage systems that power the equipment (e.g., batteries) and their installation, and on-site power generation systems that power the equipment (e.g., solar and wind power generation equipment) and their installation.
4. **Engine Replacement:** Eligible costs for engine replacement projects can include equipment and parts included in the certified engine configuration and/or are required to ensure the effective installation and functioning of the new technology. Eligible costs also include design and engineering, parts and materials, and installation. For engine replacement with battery, fuel cell, eligible costs include electric motors, electric inverters, battery assembly, direct drive transmission/gearbox, regenerative braking system, vehicle control/central processing unit, vehicle instrument cluster, hydrogen storage tank, hydrogen management system and fuel cell stack assemblies. These costs are subject to the mandatory cost share requirements defined in Section VI. Ineligible costs include cabs, tires, wheels, axles, paint, brakes, and mufflers.
5. Go RED! School Edition program funds and the minimum mandatory cost share cannot be used for stationary energy storage systems that power the equipment (e.g., batteries) and their installation, and Go RED! School Edition program funds and the minimum mandatory cost share cannot be used for on-site power generation systems that power the equipment (e.g., solar and wind power generation equipment) and their installation. Applicants and their partners may add these components at their own expense outside the scope of the Go RED! School Edition program.

V. FUNDING RESTRICTIONS

1. **Prohibition on the Use of Funds for Matching:** No funds awarded under the Go RED! School Edition program shall be used to meet matching or cost-share requirements for federal grants or other DEQ-administered funding assistance programs. Likewise, a recipient may not use federal funds or funds from other DEQ-administered funding assistance programs as matching or cost-share funds for the Go RED! School Edition Program.

2. **Prohibition on the Use of Funds for Fueling Infrastructure, Production, or Distribution:** No funds awarded under the Go RED! School Edition program shall be used for fueling infrastructure, such as that used for the production and/or distribution of biodiesel, compressed natural gas, liquefied natural gas, and/ or other fuels.

3. **Prohibition on the Use of Funds for Required Emissions Reductions:** No funds awarded under the Go RED! School Edition program shall be used to fund the costs of emission reductions that are mandated under federal law pursuant to 42 U.S.C. 16132(d)(2). See EPA's 2023-2024 DERA State Grants Program Guidance https://www.epa.gov/system/files/documents/2024-08/420b24041.pdf for more information on mandated measures.

4. **Prohibition on Leasing:** No funds awarded under the Go RED! School Edition program shall be used for leasing vehicles, engines, or equipment. If financing is necessary, the purchase must be financed with a conventional purchase loan.

5. **Prohibition on the Use of Funds for Fleet Expansion:** Go RED! School Edition program funds cannot be used for the purchase of vehicles, engines, or equipment to expand a fleet. Engine, vehicle, and equipment replacement projects are eligible for funding on the condition that the following criteria are satisfied:

    a. The replacement vehicle, engine, or equipment will continue to perform similar function and operation as the vehicle, engine, or equipment that is being replaced.

    b. The cost of optional components or "add-ons" that significantly increase the cost of the vehicle may not be eligible for funding under the grant; the replacement vehicle should resemble the replaced vehicle in form and function.

    c. The replacement vehicle, engine, or equipment will be of similar type and gross vehicle weight rating or horsepower as the vehicle, engine, or equipment being replaced.

        i. Highway: The replacement vehicle must not be in a larger weight class than the existing vehicle (Class 5, 6, 7, or 8). Exceptions may be granted for vocational purposes and will require specific DEQ and EPA approval prior to purchase.

    d. The vehicle, equipment, and/or engine being replaced must be scrapped or rendered permanently disabled within ninety (90) days of being replaced.

        i. If a 2010 engine model year (EMY) or newer highway vehicle is replaced, the 2010 EMY or newer vehicle may be retained or sold if the 2010 EMY or newer vehicle will replace a pre-2009 EMY vehicle, and the pre-2009 EMY vehicle will be scrapped. It is preferred that the scrapped unit currently operates within the same project location(s) as the 2010 EMY or newer vehicle currently operates, however alternative scenarios will be considered. All existing and replacement vehicles are subject to the funding restrictions in this section of the program guide. All equipment must operate within the United States. Under this scenario, a detailed scrappage plan must be submitted and will require prior DEQ and EPA approval.

        ii. Cutting a **3-inch by 3-inch hole in the engine block** (the part of the engine containing the cylinders) is the approved scrapping method. Other acceptable scrappage methods may be considered but will require prior approval from DEQ and EPA.

        iii. Disabling the chassis may be completed by **cutting through the frame/frame rails** on each side at a point located between the front and rear axles. Other acceptable scrappage methods may be considered but will require prior written approval from the EPA project officer.

        iv. Evidence of appropriate disposal is required for reimbursement of eligible

expenses. Participating fleet owners must attest to the appropriate disposal in a signed scrappage statement. The scrappage statement must include:

1. Vehicle owner's name and address.
2. Vehicle make, vehicle model, vehicle model year, VIN, odometer reading or usage meter reading, engine make, engine model, engine model year, engine horsepower, engine ID or serial number, as applicable.
3. Name, address, and signature of dismantler.
4. Date engine and/or vehicle/equipment was scrapped.
5. Statement attesting to scrappage of vehicle/engine as defined above.
6. Signature of participating fleet owner.
7. Digital photos that show:
    a. Side profile of the vehicle prior to disabling;
    b. VIN tag or equipment serial number;
    c. Engine label (showing serial number, engine family number, and engine model year);
    d. Engine block, prior to hole;
    e. Engine block after hole;
    f. Cut frame rails or other cut structural components, as applicable; and
    g. Others, as needed.

v. Equipment and vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced (e.g., plow blades, shovels, seats, tires, etc.). If disabled engines, disabled vehicles, disabled equipment, or parts are to be sold, program income requirements apply.

6. **Prohibition on the Replacement of Existing Technologies:** No funds awarded under this program shall be used for the purchase of engine retrofits, idle reduction technologies, low rolling resistance tires or advanced aerodynamic technologies if similar technologies have previously been installed on the truck or trailer.

7. **Buy America Requirements**: Certain projects under this competition are subject to the Buy America Sourcing requirements under the Build America, Buy America (BABA) provisions of the Infrastructure Investment and Jobs Act (IIJA) (P.L. 117-58, §§70911-70917) when using federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States. The Buy America

preference applies to all of the iron and steel, manufactured products, and construction materials used for the infrastructure project under an award for identified EPA financial assistance funding programs. Please consider this information when preparing project and budget information.

Under BABA, a Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. On-highway vehicles/engines and non-road engines/equipment funded by this program are not considered "infrastructure." The following potentially eligible projects under this competition meet the definition of "infrastructure" and are subject to Buy America preference requirements under BABA:

a. Structures, facilities, and equipment that generate, transport, and distribute energy - including electric vehicle (EV) charging equipment, and

b. Any other permanent public structure that meets the infrastructure definition in M-22-11. Questions regarding BABA applicability to specific projects should be submitted to DERA@epa.gov.

VI. FUNDING ASSISTANCE PERCENTAGES, COST-SHARE REQUIREMENTS, AND AWARD CAPS

Projects involving engine upgrades, certain idle reduction technologies, shore connection systems, electrified parking space technologies, certified engine replacements, or certified vehicle/equipment replacements, as defined in Section IV, are subject to mandatory cost-share requirements. Federal funds cannot be used to meet applicant cost-share requirements. In addition, applicant may propose to commit to cover a portion of the costs above and beyond the minimum mandatory cost-share. If the applicant proposes to provide additional funding beyond the minimum mandatory cost-share requirements, the application will receive additional points during the scoring process.

Table 2 lists the maximum funding assistance as a percentage of eligible costs that DEQ will reimburse, and the minimum mandatory cost-share based on the type of project. DEQ retains the right to partially fund proposed projects. If full funding is not available for a selected project, the funding terms will be specified in the MOA between both DEQ and the applicant that must be signed before the project begins.

Table 2: Maximum Funding Assistance Percentages and Minimum Mandatory Cost-Share Requirements

Eligible Technologies	**Maximum Funding Assistance** (percent of eligible costs)	**Minimum Mandatory Cost-Share** (applicant contribution)
Vehicle or Equipment Replacement with EPA-Certified Engine	25%	75%
Vehicle or Equipment Replacement with CARB-Certified Low NOx Engine	35%	65%
Vehicle or Equipment Replacement with Zero-Tailpipe	45%	55%

Emission Power Source		
Engine Replacement with EPA-Certified Engine	40%	60%
Engine Replacement with CARB-Certified Low NOx Engine	50%	50%
Engine Replacement with Zero-Tailpipe Emission Power Source	60%	40%

Awards are subject to a per-applicant maximum based on project types included in the application. The maximum award per applicant is $80,000.

VII. PROJECT SELECTION PROCESS

A. Application Submittal

You must submit your application online. The online application form can be found at https://eportal.adeq.state.ar.us/app/#/formversion/13099852-5b3b-45ad-943e-58a7dfab6aa0.

Applications are due to DEQ by 11:59 p.m. CST on March 31, 2025.

You must provide all required information and documentation specified in the online application form. DEQ will not evaluate incomplete applications. DEQ may contact you for clarification and/or supplemental information. Applicants have ten (10) calendar days to respond to any such request.

Applications are subject to the Arkansas Freedom of Information Act.

Please direct all questions regarding the Go RED! School Edition program to Katrina Jones by email at katrina.jones@arkansas.gov, or by phone at (501) 683-6267.

B. Application Evaluation Criteria

Following each deadline, DEQ will evaluate and score applications received during the preceding month. The application scoring criteria is described below.

1. Air Quality

DEQ will evaluate this criterion based on project location. The applicant should describe in their proposal any special air quality concerns in the area where the vehicle, engine, or equipment involved in the proposed diesel emission reduction project is primarily used. DEQ will prioritize funding of projects in the following areas:

a. Areas with historic ozone and fine particulate concentrations near to or exceeding the level of national ambient air quality standards;
b. Federal Class I areas (Upper Buffalo Wilderness and Caney Creek Wilderness); and
c. Areas with toxic air pollutant concerns.

2. Cost-Effectiveness

DEQ will calculate the cost-effectiveness of the proposed project in terms of dollars requested per pound of pollutant reduced using the applicant-provided parameters required in the proposal. The more

cost-effective (lower $/pound) a project is, the more points it will receive under this criterion.

3. Project Benefits

DEQ will evaluate this criterion based on the project benefits described in the application. The applicant should describe how the proposed project will:

a. Reduce environmental risks to the public and sensitive populations.

b. Reduce environmental risks for economically disadvantaged populations and other populations with disproportionately high exposure to adverse environmental impacts.

c. Demonstrate measurers that avoid damages to fleet and equipment from severe weather events.

d. Conserve diesel fuel and/or reduce diesel emissions.

4. Time spent in Arkansas

DEQ will evaluate applications based on the percentage of time that the vehicle, engine, or equipment involved in the proposed diesel emission reduction project operates in Arkansas. DEQ will prioritize funding of projects involving vehicles, engines, or equipment that spend a higher percentage of time operating in Arkansas and that will continue to operate in Arkansas beyond the minimum five-year period required by the Go RED! program.

5. Programmatic Capability

DEQ's evaluation of each application will take in account the applicant's ability to complete and manage the proposed project. DEQ will consider the applicant's proposed work plan, budget, timeline, technology applicability, and equipment information. DEQ will also consider how the cumulative experience, knowledge, qualifications, and organizational resources of the applicant will assist in completion of the project.

6. Additional Funding Contribution

Additional points are available if the applicant proposes to provide additional funding towards completion of the project beyond the minimum mandatory cost-share requirements.

7. Small Business

Additional points will be awarded if an applicant demonstrates that they are a small business. [1]

8. Goods Movement Facilities

Priority for funding is given to projects based on whether the vehicles/engines/equipment targeted for diesel emissions reductions are located at, or service, goods movement facilities as defined below. Applicants should include the name of the specific port, airport, rail yard, terminal, or distribution center where the affected vehicles operate. Points under this criterion will be based upon the percentage of time targeted vehicles operate at goods movement facilities.

a. Ports – places alongside navigable water with facilities for the loading and unloading of

[1] "Small businesses" means those businesses with 100 or fewer employees companywide.

passengers and/or cargo from ships, ferries, and other vessels.

b. Airports – places where aircraft operate that have paved runways and terminals which include cargo, baggage and/or passenger-movement operations.

c. Rail Yards – a system of tracks, other than main tracks and sidings, used for making up trains, for storing cars, and for other purposes.

d. Terminals – freight and passenger stations at the end of carrier lines, or that serve as junctions at any point with other lines, that have facilities for the handling of freight and/or passengers.

e. Distribution Centers – facilities that perform consolidation, warehousing, packaging, decomposition, and other functions linked with handling freight, often in proximity to major transport routes or terminals, and/or which generate large amounts of truck traffic.

9. Community Engagement:

Priority for funding is given to applications that demonstrate engagement with the affected communities and/or populations, especially local residents, to ensure their meaningful participation with respect to the design, planning, and performance of the project. Meaningful involvement means people have an opportunity to participate in decisions about activities that may affect their environment and/or health; the public's contribution can influence the regulatory agency's decision; community concerns will be considered in the decision-making process; and decision makers will seek out and facilitate the involvement of those potentially affected.

10. Workforce Development

DEQ will evaluate this criterion based on the quality and extent of the workforce planning activities described in the application. The applicant should describe how the proposed project will:

a. Establish plans and activities to prepare their workforce for the project;

b. Establish policies and protections that currently exist or will be put in place to prevent existing workers from being replaced or displaced because of new technologies; and

c. Demonstrate that they engage with workers and their representatives directly in the development of workforce planning activities to incorporate worker voice into the project.

11. Justice40 Consideration

Federal law requires that at least 40% of federal funding provides benefits to communities identified as disadvantaged. The applicant should describe how the proposed project will provide benefits to these communities, as classified at https://ejscreen.epa.gov/mapper/.

C. Project Selection

DEQ will select the highest scoring projects received to recommend for funding.

D. Notifications

DEQ will notify all applicants by email once applications have been scored and projects have been selected for funding. Notifications to successful applicants will indicate that the evaluation process is complete and

that Go RED! School Edition program staff recommends the applicant for award. DEQ will send the notification to the original signatory of the application. **This initial notification, which advises that the applicant's proposed project has been <u>recommended</u> for award, is not an authorization to begin the project.**

The formal notification of award, which will be a fully executed MOA signed by all parties, is the only document that authorizes commencement of the project. The formal notification will be delivered by email and will require a signature from both the recipient and a DEQ official. The MOA will outline the following: eligible expenses, allowable reimbursement amounts, reporting requirements, photographic evidence, record retention requirements, and additional documentation required for reimbursement.

The replacement vehicle, equipment, and/or engine must be ordered within ninety (90) days of a signed agreement.

VIII. REPORTING REQUIREMENTS

DEQ requires the project manager for selected projects to submit quarterly progress reports to DEQ between the time of MOA execution and completion of the project. The project manager must also submit a detailed final report upon completion of the project. Report requirements will be specified in the MOA.