

**Air Quality Improvement Program (AQIP)
Advanced Technology Demonstration Projects:
Locomotive Technologies that Approach, Meet or Exceed
U.S. EPA Tier-4 Emission Levels**

**Applicant Workshop March 15, 2012
Questions and Answers**

On March 15, 2012, the Air Resources Board (ARB) held an Advanced Technology Demonstration Project Applicant Workshop to answer questions regarding the FY 2011-12 Locomotive Technologies that Approach, Meet or Exceed U.S. EPA Tier-4 Emission Levels Grant Proposal Solicitation (solicitation). This document provides ARB responses to stakeholder questions at the workshop, and to those questions submitted by email prior to the workshop.

Please note that the March 22, 2012 date for the release of the ARB's response to questions received at the Applicant Workshop was extended to April 2, 2012. The application submittal deadline and all other dates listed in the solicitation have not changed.

Match Funding and Administrative Cost Questions

1) Q: Are there any special instructions in collecting the fuel and lube oil usage data for reimbursement?

A: Specific instructions will be dependent on the type of project that is being proposed. However, if fuel and lube oil are to be considered as part of the proposed project expenses to be reimbursed by AQIP funds, then detailed records of those expenses will be needed to validate reimbursement with AQIP funds.

2) Q: Would standard maintenance items such as lube oil filters and air filters be considered for reimbursement during the operation of the locomotive?

A: Yes, standard maintenance items can be considered for reimbursement if they are consumed as part of the demonstration project and are identified in the project application.

3) Q: Can the cost of the locomotive be considered as part of the cost match?

A: Yes, a reasonable opportunity cost associated with the use of a locomotive would be an acceptable portion of the applicant's match, however, the entire cost of the locomotive being considered as part of the match would be considered excessive.

4) Q: Is there any special breakdown on how AQIP demonstration project funds must be used for a proposed project?

A: No, any specific breakdown of costs will be dependent on how the proposed project is presented in the application.

5) Q: How is the total project funding split between the applicant and AQIP?

A: AQIP is limited to funding a maximum of 50% of the total project cost, the applicant can provide up to 40% of the project cost as an in-kind contribution and at a minimum, the remaining 10% needs to be a cash contribution from the applicant or technology demonstrator.

6) Q: Assume that a proposed project total cost is \$100, in the application an air district contributes \$20, does the maximum AQIP portion of the project drop down to \$30?

A: No, the only restriction on the match funds in a proposed project is that they are not sourced from other AB 118 (AB 118, Statutes of 2007, Chapter 7580) funds. In this example, the maximum AQIP funding is \$50.

Clarification on the Solicitation Questions

7) Q: What is the required length of time for the field demonstration?

A: Each project must be completed by June 30, 2014 and must contain a practical field demonstration. The length of the field demonstration will be dependent on the type of project that is being considered.

8) Q: How many times is emission testing required for a proposed project?

A: The number of emission testing events will depend on the type of project that is being pursued. As an example, if the project is for a diesel engine retrofit and an official Air Resources Board Verification of the proposed retrofit device is being sought, then three separate emissions testing events would be needed to satisfy a typical ARB approved verification test plan. A typical verification test plan requires a baseline emission test at zero hours, again at 1500 hours and a final test at the 3,000 hour mark.

9) Q: Would emission testing be required at the start of the demonstration and at the end of the demonstration?

A: Yes, typically emission testing would be required to be performed at the start of the demonstration and at the end of a demonstration, regardless of the type of project that is being proposed.

10) Q: Can AQIP funds be used for a new engine certification application fee?

A: No, AQIP funds cannot be used directly to fund formal ARB or United States EPA verification or certification processes.

11) Q: On Page 8, paragraph 2 of the solicitation it states, “Data gathered on actual emissions to the air, as part of this demonstration project cannot be protected from disclosure”, does this mean that emissions data collected during the fine tuning of the proposed system cannot be protected from disclosure?

A: Emission data collected on the fine tuning of a proposed emission reducing system does not need to be reported to the ARB. Only the emission testing results that will comprise either the baseline emission level of the engine or the emission level after the proposed system has been installed or activated, as well as during defined durability hour milestones defined in the project application will be required to be reported to ARB, and therefore potentially disclosed to the public.

12) Q: Is there an engine horsepower (HP) range that is the focus of this solicitation?

A: Yes, the focus of the solicitation is the 4,000 HP to 4,500 HP range commonly found in line-haul locomotives. Proposed projects that are directed at the focus HP range will score higher than proposed projects that do not meet the HP focus of this solicitation.

13) Q: Does a complete project plan need to be submitted to be eligible for funding?

A: No, but a project application that is incomplete will not score as highly as an application that has all participants and objectives clearly defined. As an example, an application that specifically identifies the applicant, technology demonstrator, railroad, and the technology that is being proposed, as well as letters of support from all project participants submitted with the application will score higher than an application that is missing specific project participants.

14) Q: If technical or market conditions change since the time of an application is submitted in response to this solicitation and the time that the grant award is issued, can an applicant decline the grant award?

A: Yes, an applicant can decline a proposed award of funding.

15) Q: Will a list of participants from this workshop be released?

A: No, ARB does not maintain a list of participants from this workshop.

Project Eligibility Questions

16) Q: Would an alternative fueled engine be an eligible project type?

A: Yes, there are no restrictions on the technology that can be used to meet the minimum emission levels to be considered an eligible project.

17) Q: Can a proposed project that is using a multiple engines approach apply different emission reducing technologies on the different engines?

A: Yes, the solicitation does not limit the technology that can be pursued for the proposed project.