

2022 Diesel Emissions Reduction Act (DERA) State Grants Work Plan and Budget Narrative Template

INSTRUCTIONS: States and territories applying for 2022 DERA State Grant funds should use this template to prepare their Work Plan and Budget Narrative.

Please refer to the 2021-2022 DERA State Grants Program Guide full program details, eligibility criteria and funding restrictions, and application instructions.

SUMMARY PAGE

Project Title: New Hampshire Clean Diesel FY 2022 Program Plan

PROJECT MANAGER AND CONTACT INFORMATION

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PROJECT BUDGET OVERVIEW:

	2021	2022
EPA Base Allocation	\$339,117	\$348,108
EPA Match Bonus (if applicable)	\$169,559	\$174,054
Voluntary Matching Funds (if applicable)	\$339,117	\$348,108
Mandatory Cost-Share	\$TBD	\$TBD
TOTAL Project Cost	\$847,793	\$859,245

Project Period for 2021-2022 DERA State Grants

October 1, 2021 – September 30, 2023

Summary Statement

New Hampshire's Clean Diesel Grant Program is a sub-grant program designed to reduce diesel emissions. New Hampshire Department of Environmental Services (NHDES) will apply the program broadly across various sectors in the state, employing a variety of diesel reduction strategies. The program will target projects which reduce emissions in Environmental Justice communities, areas with historical air quality issues, highly populated areas, areas with sensitive receptor groups such as schools or hospitals, or areas that receive a disproportionate quantity of air pollution from diesel vehicles and equipment as well as projects in areas that are near non-attainment for other pollutants such as particulate matter. New Hampshire intends to use Volkswagen Environmental Mitigation Trust funds (VW Trust Funds) to match the federal funds for the fiscal year 2022. More information about New Hampshire's Clean Diesel Grant Program is available on the [NHDES State Clean Diesel webpage](#).

SCOPE OF WORK

NHDES will institute a sub-grant program to fund projects that reduce on- and non-road (including stationary) diesel engine emissions in the state. This will be accomplished via a solicitation whereby projects are rated based on a combination of emission reductions, cost-effectiveness, health and other environmental benefits, location in the state and other ancillary benefits. New Hampshire will utilize VW Trust Funds as non-federal voluntary match for the fiscal year 2022 grant pursuant to the “DERA Option”¹ specified in Appendix D-2 of the Volkswagen Partial Consent Decree. Use of all funds will be in line with the scope of work outlined in this plan and the funding restrictions outlined in the [2022 Diesel Emissions Reduction Act \(DERA\) State Grants Program Guide](#) and the [VW Environmental Mitigation Trust Agreement for State Beneficiaries](#).

STATE/TERRITORY GOALS AND PRIORITIES:

Per the 2017 National Emissions Inventory (NEI), diesel sources are a significant contributor to NO_x and PM_{2.5}, accounting for about 25% of the total for NH. A breakdown of the diesel sources for NO_x and PM_{2.5} shows that heavy-duty highway vehicles and construction equipment are the primary sectors, followed by intercity and transit buses. Therefore, NHDES seeks opportunities to reduce emissions from these sources statewide.

Currently, all of New Hampshire is unclassifiable/attainment under the 2015 8-Hour Ozone National Ambient Air Quality Standard (NAAQS). Over the past five years, New Hampshire has experienced an annual average of 2.2 ozone “Air Quality Action Days;” days with unhealthy concentrations of ground-level ozone for sensitive individuals. New Hampshire’s goal is to reduce this to zero days.

New Hampshire is in attainment statewide for the current primary and secondary fine particulate NAAQS. However, concentrations of fine particle pollution continue to reach unhealthy levels in certain locations. Valley areas during cold-season temperature inversions are particularly susceptible to elevated PM_{2.5} concentrations. New Hampshire continues to seek means to reduce PM_{2.5} in these areas.

NHDES conducts a regular greenhouse gas (GHG) emissions inventory that tracks six main GHGs. The inventory relies on data provided by the U.S. Department of Energy and the U.S. Environmental Protection Agency. As per the most recent data (2019), CO₂ emissions make up the vast majority of New Hampshire's greenhouse gas emissions (88%). The transportation sector is the largest source of GHG emissions in NH (44%). NHDES evaluates DERA project proposals for their CO₂ emissions and considers that during project selection.

¹ [The DERA Option: Eligible Mitigation Action #10 under the Volkswagen Settlement, Appendix D](#)

NHDES chooses to support a variety of emission reduction strategies and project partners in order to maximize our success. In recent years, grantees with the State Clean Diesel program favored vehicle and engine replacements. In addition to continuing to support engine and vehicle replacement projects that utilize new, cleaner diesel engines, NHDES will increase our efforts to support projects that propose use of zero-emission technology and cleaner alternative fuels.

VEHICLES AND TECHNOLOGIES:

Eligible Applicants

This solicitation will be open to all New Hampshire state agencies and departments, municipalities, and school districts, as well as to private sector businesses operating mostly in New Hampshire.

Eligible Diesel Vehicles, Engines, and Equipment

School Buses	Includes diesel powered school buses of Type A, B, C, and D. To be eligible as a school bus, a vehicle should meet the definition of a school bus as defined by the National Highway Transportation Safety Administration. This definition includes but is not limited to: 1) A bus that is used for purposes that included carrying students to and from school or related events on a regular basis; 2) Be identified with the words "School Bus"; and 3) Be painted National School Bus Glossy Yellow.
Transit Buses	Includes Class 5+ diesel powered medium-duty and heavy-duty transit buses.
Medium-duty or heavy-duty trucks	Includes diesel powered medium-duty and heavy-duty highway vehicles with gross vehicle weight rating (GVWR) as defined below: Class 5 (16,001 -19,500 lbs GVWR); Class 6 (19,501 – 26,000 lbs GVWR); Class 7 (26,001 – 33,000 lbs GVWR); Class 8 (33,001 lbs GVWR and over)
Marine Engines	Includes diesel powered Category 1, 2, and 3 marine engines and vessels.
Locomotives	Includes diesel powered line-haul, passenger, and switch engines and locomotives.
Nonroad engines, equipment, or vehicles	Includes diesel powered engines, equipment, and vehicles used in construction, handling of cargo (including at ports and airports), agriculture, mining, or energy production (including stationary generators and pumps).

Eligible Diesel Emission Reduction Solutions

The New Hampshire Clean Diesel Grant Program estimates that it will fund between five and ten eligible diesel emission reduction projects. For diesel vehicle/engine/equipment ("diesel unit") replacement projects, the existing diesel unit must have a minimum of

three years of remaining life by the proposed time of upgrade (“remaining life” is based on the fleet owner’s estimate of, absent the Clean Diesel Grant, the remaining years the unit could adequately perform its current duties, even if the unit were sold to another fleet, factoring in the unit’s age, condition, and maintenance needs).

Projects must include at least one of the following diesel emission reduction solutions that utilize a certified engine configuration and/or a verified technology:

I. Vehicle and Equipment Replacements:

Nonroad and highway diesel vehicles and equipment, locomotives, and marine vessels can be replaced with newer, cleaner vehicles and equipment. 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 (grid, battery, or fuel cell).

To be eligible for funding, 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](#), [EPA’s engine emission standards](#), <http://www.arb.ca.gov/msprog/onroad/cert/cert.php> and the [Low-NO_x Engine Factsheet](#) provide guidance on eligible engines and equipment.

II. Engine Replacement:

Nonroad and highway diesel vehicles and equipment, locomotives, and marine vessels can have their engines replaced with newer, cleaner engines. 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 (grid, 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](#), [EPA’s engine emission standards](#), <http://www.arb.ca.gov/msprog/onroad/cert/cert.php> and the [Low-NO_x Engine Factsheet](#) provide guidance on eligible engines.

III. Certified Remanufacture Systems:

Generally, a certified remanufacture system is applied during an engine rebuild and involves the removal of parts on an engine and replacement with parts that cause the engine to represent an engine configuration which is cleaner than the original engine. Some locomotives and marine engines can be upgraded through the application of a certified remanufacture system (i.e., kit). Engine remanufacture systems may not be available for all engines, and not all remanufacture systems may achieve an emissions benefit. Applications for certified remanufacture systems should include a discussion of the availability of engine remanufacture systems and indicate the pre- and post-project emission standard levels of the engines to demonstrate that the upgrade will result in a

PM and/or NO_x emissions benefit. If a certified remanufacture system is applied at the time of rebuild, funds under this award cannot be used for the entire cost of the engine rebuild, but only for the cost of the certified remanufacture system and associated labor costs for installation of the kit.

To be eligible for funding, remanufacture systems for locomotives and marine engines must be certified by EPA at the time of acquisition. [This list of certified remanufacture systems](#) and [EPA's page for additional information](#) provide information on remanufacture systems.

IV. Verified Idle Reduction Technologies:

An idle reduction project is generally defined as the installation of a technology or device that reduces unnecessary idling of diesel engines and/or is designed to provide services (such as heat, air conditioning, and/or electricity) to vehicles and equipment that would otherwise require the operation of the main drive or auxiliary engine(s) while the vehicle is temporarily parked or remains stationary.

The eligible idle reduction technologies by associated vehicle type are below. To be eligible for funding under (a) through (d) below, these technologies must be on [EPA's SmartWay Verified Technologies list](#) at the time of acquisition.

a. Long haul Class 8 trucks equipped with sleeper cabs:

- 1) Auxiliary power units and generator sets
- 2) Battery air conditioning systems
- 3) Thermal storage systems
- 4) Fuel operated heaters (direct fired heaters)
- 5) Electrified parking spaces (truck stop electrification)

b. School buses: Fuel operated heaters (direct fired heaters)

c. Transport refrigeration units (TRU): Electrified parking spaces supporting TRUs. Please see the [TRU Factsheet](#) for information on TRUs and eligible TRU projects.

d. Locomotives:

- 1) Automatic engine shut-down/start-up systems
- 2) Auxiliary power units and generator sets
- 3) Fuel operated heaters (direct fired heaters)
- 4) Shore power connection systems

No funds awarded under this grant shall be used for locomotive shore connection system projects that are expected to be used less than 1,000 hours/year.

e. Marine vessels: Shore power connection systems

Funding may support expansions or new installations of existing shore power systems. [EPA's page on marine technology](#) provides more information on marine shore power connection systems. To be eligible for funding, marine shore power projects must meet the following criteria:

- 1) Applicants must attest to compliance with international shore power design standards (ISO/IEC/IEEE 80005-1:2012 High Voltage Shore Connection

Systems or the IEC/PAS 80005-3:2014 Low Voltage Shore Connection Systems).

- 2) Shore power connection systems must be supplied with electricity from the local utility grid.
- 3) Demonstration that the proposed system has the capacity, demand, and commitment to be used for more than 1,000 megawatt-hours per year. Smaller projects will be considered if the applicant can demonstrate cost effectiveness.
- 4) Due to the unique nature and custom design of marine shore power connection systems, EPA will review and approve marine shore power connection systems on a case-by-case basis. If the project application is selected for funding, the final design of the marine shore power connection system will require specific EPA approval prior to purchase and installation.
- 5) Applicants must commit to reporting usage information to EPA for five years after the system is operational.
- 6) Shore power capable vessels docked at a berth where shore power is available must be required to turn off the vessel's engines and use the shore power system, with limited exceptions for extreme circumstances.
- 7) Applicants proposing marine shore power connection systems will need to include the following information:
 - a) the annual number of ship visits to berth where the shore power system is to be installed;
 - b) average hoteling (or idling) time per visit; and
 - c) information about the fleet of vessels that has, or will have, the ability to use the shore-side connection system, including:
 - o the estimated annual number of ship visits to the shore power enabled berth that will use the shore power system;
 - o estimated annual hoteling hours using shore power system;
 - o fuel type and average sulfur content of fuel used in the auxiliary engines for each vessel;
 - o auxiliary engine and boiler information for each vessel;
 - o estimated annual hoteling load requirements (megawatt-hours);
 - d) any documented commitment of visits and hours by the fleet of vessels that has, or will have, the ability to use the shore-side connection system; and
 - e) estimated emissions reductions. Applicants can use [this calculator tool](#).

V. Verified Aerodynamic Technologies and Verified Low Rolling Resistance Tires:

To improve fuel efficiency, long haul Class 8 trucks can be equipped with aerodynamic trailer fairings and/or low rolling resistance tires.

To be eligible for funding, technologies must be on [EPA's verified aerodynamic technologies list](#) and [verified list for low rolling resistance new and retread tire technologies list](#) at the time of acquisition, must be used only for the application specified on the lists, and must meet any applicable verification criteria. EPA will not fund stand-alone aerodynamic technologies or low rolling resistance tires. To be eligible for funding, these technologies must be combined on the same vehicle with the new installation of an exhaust after-treatment retrofit funded under this grant.

ROLES AND RESPONSIBILITIES:

As with prior projects, NHDES will collaborate with other state agencies, municipalities, school districts, transit companies, marine operators, and private fleets. We believe that making sub-grants available to the widest possible audience will help with our success. Subawards will be selected through a solicitation for projects and the participant support costs will be disbursed through a grant program.

TIMELINE AND MILESTONES:

The combination of the COVID-19 pandemic and global supply chain delays has impacted progress on the FY 2019, FY 2020, and FY 2021 New Hampshire State Clean Diesel programs, with several projects requiring contract extensions while they await procurement of their vehicles.

The following list provides anticipated milestones for the FY 2022 Work Plan and the extended FY 2020 Work Plan. It should be noted that these dates are only an estimate based on the current situation and are provided to EPA for planning purposes only:

- **6/20/22** – NHDES will release a Request for Proposals (RFP) for a combination of the remaining FFY 2021 funds and the anticipated FFY 2022 funds. In addition to posting on the NHDES website, the open solicitation will be publicized via a monthly newsletter geared to municipalities and via relationships with NH Local Energy Solutions Workgroup, New Hampshire School Transportation Association, NH Local Government Center, NH Municipal Association, NH Motor Transit Association, NH Association of General Contractors, Regional Planning Commissions, Granite State Clean Cities Coalition and others.
- **October/November 2022** – Submit grant agreements for approval by Governor and Council.
- **January 2023** – If all program funding is not obligated during the initial round, a subsequent RFP will be released.
- **October 2022 through September 2023** – project implementation. All projects will be completed by September 30, 2023.
- **09/30/23** – Completion date of FY 2019-2020 extended contract and FY 2021-2022 contracts.
- **01/31/23, 04/30/23, 07/31/23, 10/31/23, 01/31/24, 04/30/24, 07/31/24, 10/31/24** – Submit quarterly reports to EPA.
- **Prior to 12/31/23 and 12/31/24** – Submit annual and final reports to EPA.

Recipients will be required to submit Project Status Reports. Quarterly reporting will be required for two (2) years from the date of vehicle/engine/equipment acquisition. Yearly reporting will be required for five (5) years from project start. Failure to report will be considered a violation of the terms of the agreement.

In order to ensure that up to date project information continues to be available, periodic reviews and updates of program information on the NHDES website will be completed.

DERA PROGRAMMATIC PRIORITIES:

New Hampshire will ensure that the programmatic priorities, as outlined in the [2022 Diesel Emissions Reduction Act \(DERA\) State Grants Program Guide](#), will be met by selecting cost-effective diesel emission reduction projects that achieve significant reductions from vehicles, engines, and equipment operating in New Hampshire. The program will target projects which reduce emissions in Environmental Justice communities, areas with historical air quality issues, highly populated areas, areas with sensitive receptor groups such as schools or hospitals, or areas that receive a disproportionate quantity of air pollution from diesel vehicles and equipment as well as projects in areas that are near non-attainment for other pollutants such as particulate matter and.

Vehicle and equipment replacements are an effective option because they eliminate the need for matching retrofit equipment to the engine or vehicle; they also provide the highest emission reduction over the useful life of the engine. Zero Emission, Low NO_x, and clean, alternative fuel vehicles accomplish emission reductions and increase fuel diversity in the region. Replacing a diesel-powered vehicle with a vehicle fueled by electricity, propane, or compressed natural gas can also reduce high maintenance costs associated with the newer diesel engine systems.

Engine replacements can be a cost-effective means of reducing emissions in existing vehicles, particularly for non-road equipment. Exhaust controls are another lower cost option, but they do not offer the economic incentive of fuel savings or maximizing the useful life of the vehicle or engine. NHDES seeks to promote all diesel reduction strategies outlined in this document in order to promote emissions reduction and further the improvement of promising technologies.

As in FY 2021, New Hampshire intends to use VW Trust Funds to match the federal funds for the federal fiscal year 2022 grant. Projects utilizing VW Trust Funds will reduce emissions of NO_x and PM and also support the goals of the New Hampshire Beneficiary Environmental Mitigation Plan², which aligns closely with the programmatic priorities identified above.

EPA'S STRATEGIC PLAN LINKAGE AND ANTICIPATED OUTCOMES/OUTPUTS:

Linkage to EPA Strategic Plan

² [State of New Hampshire Beneficiary Environmental Mitigation Plan September 7, 2018](#)

NHDES intends to reduce emissions from high-usage diesel units through judicious project selection and, in doing so, will assist in reducing the amount of NOx and PM that is emitted to the air. This aligns with [EPA's FY 2022 – FY 2026 Strategic Plan](#)' Objective 1.1 to “reduce emissions that cause climate change,” Objective 2.1 to “promote Environmental Justice and Civil Rights at the State and Local levels,” and Objective 4.1 to “improve air quality and reduce localized pollution and health impacts.”

A. Outputs

Some specific outputs of the NH Clean Diesel Program include:

- 1) NHDES will issue an RFP as described in the Project Description section of this work plan. NHDES will evaluate the proposals based on program goals.
 - a) We anticipate funding one to two engine repower projects in FY 2022.
 - b) We anticipate funding a project/projects that reduce approximately 500 hours of idling annually in FY 2022.
 - c) We anticipate funding five to ten vehicle or equipment replacement projects that replace one (1) or more units in FY 2022.
- 2) The Diesel Emission Quantifier (DEQ) and, as needed, Argonne National Lab's Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) tool or Heavy-Duty Vehicle Emissions Calculator (HDVEC), will be used to quantify project benefits before project selections are made.
- 3) NHDES will encourage the use of the funds for municipal and state fleets as well as other publicly owned fleets, which is in alignment with the goals of NH's Volkswagen Trust Beneficiary Mitigation Plan to lower operating and maintenance costs for state and municipal fleets and give priority to projects that are located in economically challenged communities, areas with historical air quality issues, and areas that receive a disproportionate quantity of air pollution from diesel fleets
- 4) NHDES will continue to support the Granite State Clean Cities Coalition and engage its stakeholders when requesting project proposals.
- 5) NHDES will submit quarterly reports to EPA identifying the progress of the program.
- 6) Program Completion Report: NHDES will undertake a full evaluation of the program. The program completion report will include the number of miles or hours replaced units have been in service since the project occurred, fuel consumption since the beginning of the project, emissions reduced or eliminated, maintenance issues (if any), and documentation of outreach conducted in support of the project.
- 7) Notification of grants awarded will be posted on a public facing website along with a complete list of awardees.

Outcomes

Some specific outcomes of the NH Clean Diesel Program include:

- 1) Emission reduction from diesel units; (potential outcomes presented below were estimated using the DEQ):
 - **Engine Repower:** Engine repowers can provide up to one ton of NO_x and 500 lbs. PM_{2.5} of annual emission reductions.
 - **Idle Reduction:** Transit buses and long-distance haulers can provide 4 and 6 tons respectively of NO_x emission reductions in their lifetime. Idle reduction devices also provide cost effective reductions in greenhouse gas and result in fuel savings.
 - **Vehicle Replacements:** Vehicle replacements can yield cost-effective NO_x reductions and can provide sustained clean air benefits in a community. Deployment of alternative fuel vehicles and associated infrastructure promotes adoption by others and reduces petroleum imports.
- 2) Reduce emissions in communities of environmental justice concern;
- 3) Community engagement and partnership;
- 4) Better understanding, knowledge and acceptance of currently available pollution control technology and equipment by state and municipal fleet managers, fleet owners, and the public- and school-transportation sectors;
- 5) Increased data and information on verified emissions control equipment/technology for use by other potential users;
- 6) Expansion of zero emission technology and alternative fuel vehicle use in the state;
- 7) Increased awareness of the health and climate change benefits of particulate controls, alternative fuels, and reduced idling in the state's transportation sector and by the traveling public who will be made aware of the program through outreach; and
- 8) Sustained compliance with National Ambient Air Quality Standards in New Hampshire.

Performance Measures

Specific Performance Measures include:

- 1) NHDES will require grantees to submit quarterly reports for two years and yearly reports for an additional three years in order to track project progress and outcomes;
- 2) NHDES will track and report project progress on expenditures, purchases, and other fiscal activities;

- 3) NHDES will track and report actual accomplishments versus proposed outputs/outcomes and proposed timelines/milestones;
- 4) NHDES will track and report project progress on installations/replacements by maintaining an accurate Project Fleet Description; and
- 5) NHDES will measure and report on outcomes by maintaining an accurate Project Fleet Description and using EPA’s Diesel Emissions Quantifier

SUSTAINABILITY OF THE PROGRAM:

NHDES’ Mobile Sources Section administers the Program. Administrative staff include a Grants Coordinator who will manage program implementation and New Hampshire’s Granite State Clean Cities Coordinator who will actively promote the program and support project implementation. Technical support is provided by other Technical Services Bureau staff. NHDES is committed to continue to educate diesel equipment users about the environmental, health, and monetary benefits of utilizing zero emission and emission reduction technology, cleaner fuels, cleaner vehicles, and modifying driver behavior.

BUDGET NARRATIVE

2022 Itemized Project Budget

Budget Category	EPA Allocation	Mandatory Cost-Share	Voluntary Match (if applicable)		Line Total
			VW Mitigation Trust Funds	Other Funds	
1. Personnel	\$44,644	-	-	-	\$44,644
2. Fringe Benefits	\$22,398	-	-	-	\$22,398
3. Travel	-	-	-	-	-
4. Equipment	-	-	-	-	-
5. Supplies	-	-	-	-	-
6. Contractual	\$447,954	-	\$348,108	-	\$796,062
7. Other	\$4,545	-	-	-	\$4,545
8. Total Direct Charges (sum 1-7)	\$519,541	TBD	\$348,108	-	\$867,649
9. Indirect Charges	\$2,621	-	-	-	\$2,621
10. Total (Indirect + Direct)	\$522,162	TBD	\$348,108	-	\$870,270
11. Program Income	-	-	-	-	-

Explanation of Budget Framework

Personnel:

	Annual Salary	% of Time	Total Salary
Grants Coordinator	\$48,726	50%	\$24,363
Transportation Program Specialist	\$68,731	4%	\$2,749
Mobile Sources Supervisor	\$82,509	15%	\$12,376
Administrator, Tech Services	\$103,116	5%	\$5,156
		Total	\$44,644

Fringe Benefits:

FICA: 7.65%

Health Insurance: Percentage Varies – benefits are not paid by a % but based on the plan employees have.

Medicare: 1.45%

Retirement: 11.93%

Additional Fringe Benefits: 9.89%

Dental: Percentage Varies – benefits are not paid by a % but based on the plan employees have.

Life Insurance: Percentage Varies – benefits are not paid by a % but based on the plan employees have.

	Benefits - % of Salary	Total
Grants Coordinator	50.17%	\$12,223
Transportation Program Specialist	50.17%	\$1,379
Mobile Sources Supervisor	50.17%	\$6,209
Administrator, Tech Services	50.17%	\$2,587
	Total	\$22,398

Travel:

No travel expenses will be charged to this grant for program implementation. Existing state funds will be used to cover such expenses if any are incurred.

Supplies:

No supplies will be purchased using these funds.

Equipment:

No equipment purchases beyond the subawards for equipment specified under “other” below will be made using these funds.

Contractual:

No contractual/consultant services are anticipated to be needed for this project.

Other

Subawards and administrative costs will be reflected under this category. The details of the subawards will not be known prior to the completion of a solicitation for project proposals. NHDES intends to issue subawards via grant agreements with eligible applicants for eligible projects as described in New Hampshire’s Program Plan, which is consistent with EPA’s

DERA program requirements. All subawards will be made according to the Terms and Conditions of the award agreement.

Category	Amount
Other (Administrative Costs)	\$4,545
Subawards	\$796,062
Total	\$800,607

Indirect Charges

Indirect Costs = 2.53% of the sum of personnel and fringe benefits.

	Total Indirect Costs
Total	\$2,621

Administrative Costs Expense Cap

Based on the calculations completed in the tables above and illustrated below, the administrative cost is in line with the 15% allowable cap.

Total Personnel	\$44,644
Fringe Benefits	\$22,398
Indirect	\$ 2,621
Other (Administrative Costs)	\$ 4,545
Total Administrative	\$74,208
15% of Budget (\$522,162)	\$78,324

Matching Funds and Cost-Share Funds

New Hampshire will utilize VW Trust Funds as non-federal voluntary match for the fiscal year 2022 grant pursuant to the “DERA Option”³ specified in Appendix D-2 of the Volkswagen Partial Consent Decree. Use of all funds will be in line with the scope of work outlined in this plan and the funding restrictions outlined in the [2022 Diesel Emissions Reduction Act \(DERA\) State Grants Program Guide](#) and the [VW Environmental Mitigation Trust Agreement for State Beneficiaries](#).

In the event that the Volkswagen settlement funds are not made available during the project period of this assistance agreement and New Hampshire decides to not match the DERA base allocation, the State will submit an amendment to the award to decrease the total award amount down to the EPA base allotment of \$348,108 and return the state Match Bonus funds totaling \$174,054.

³ [The DERA Option: Eligible Mitigation Action #10 under the Volkswagen Settlement, Appendix D](#)

The mandatory cost-share funds will be determined after a solicitation of projects has been completed. The solicitation of projects will be completed with a focus on public fleets (municipal and state) and the cost share funds will be provided by the subaward grantees.

Funding Partnerships

NHDES will collaborate with other state agencies, municipalities and school districts, public and private transit companies, and marine operators and private fleets. As noted, we believe that making the subawards and participant support costs available to the widest possible audience will continue to be the key to the Program's success.