

(i) Consideration of opportunities for using fuels other than petroleum and natural gas, and

(ii) Consideration of using alternative, renewable energy sources.

(b) Compliance with the requirements of paragraph (a) of this section shall be documented as part of the Environmental Assessment or Environmental Impact Statement for projects which are subject to a requirement for one. Projects for which there is no environmental assessment or EIS shall document compliance by submission of appropriate material with the application for FTA assistance for actual construction.

(c) The cost of undertaking and documenting an energy assessment may be eligible for FTA participation if the requirements of Federal Management Circular 74-4 (A-87) are met.

(d) This requirement shall not apply to projects for which the final project application or environmental assessment have been submitted to FTA prior to October 1, 1980.

[45 FR 58038, Aug. 29, 1980]

PART 624—CLEAN FUELS FORMULA GRANT PROGRAM

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APPENDIX A TO PART 624—PRE-APPLICATION WORKSHEET

AUTHORITY: 49 U.S.C. 5308; 49 CFR 1.51.

SOURCE: 67 FR 40104, June 11, 2002, unless otherwise noted.

§ 624.1 Eligible applicant.

(a) An eligible applicant is a designated recipient (designated recipient has the same meaning as in 49 U.S.C. 5307(a)(2)) in either an:

(1) Ozone and carbon monoxide non-attainment areas that have the specific classifications established by the 1990 Clean Air Act Amendments [Public Law 101-549], or

(2) Ozone and carbon monoxide (CO) “maintenance” areas that, before they were redesignated to attainment by the

Environmental Protection Agency (EPA), had these same classifications.

(b) The nonattainment classifications for ozone are “marginal,” “moderate,” “serious,” “severe,” and “extreme.” The nonattainment classifications for CO are “moderate” and “serious.”

§ 624.3 Eligible activities.

(a) Eligible activities include the purchase or lease of clean fuel buses and facilities, repowering or retrofitting buses to operate on clean fuels, and the improvement of existing facilities to accommodate clean fuel buses.

(b) The term “clean fuel vehicle” means a vehicle that—

(1) Is powered by —

(i) Compressed natural gas;

(ii) Liquefied natural gas;

(iii) Biodiesel fuels;

(iv) Batteries;

(v) Alcohol-based fuels;

(vi) Hybrid electric;

(vii) Fuel cells;

(viii) Clean diesel, to the extent allowed under this section; or

(ix) Other low or zero emissions technology; and

(2) The Administrator of the Environmental Protection Agency has certified sufficiently reduces harmful emissions.

(c) Eligible projects are the following:

(1) Purchasing or leasing clean fuel buses, including buses that employ a lightweight composite primary structure, and vans for use in revenue service. The purchase or lease of non-revenue vehicles is not an eligible project.

(2) Constructing or leasing clean fuel bus facilities or electrical recharging facilities and related equipment. Facilities and related equipment for clean diesel buses are not eligible.

(3) Improving existing mass transportation facilities to accommodate clean fuel buses.

(4) Repowering pre-1993 engines with clean fuel technology that meets the current urban bus emission standards. Repowering means the removal of an engine from a bus followed by the installation of another engine and applies to engines that are replaced with new, previously unused, engines as well as those exchanged from an inventory of rebuilt engines.

(5) Retrofitting or rebuilding pre-1993 engines if before half life (*e.g.*, prior to six years of bus life) to rebuild; “retrofit” means use of the latest after-market technology such as “upgrade kits,” or after-treatment devices that treat the exhaust after it has left the engine, such as catalytic converters and particulate filters.

(6) At the discretion of FTA, projects relating to clean fuel, biodiesel, hybrid electric, or zero emissions technology vehicles that achieve emissions reductions equivalent or superior to existing clean fuel or hybrid electric technologies.

§ 624.5 Application process.

(a) Pre-applications must be submitted to the appropriate FTA regional office no later than January 1 of each fiscal year. Subject to the availability of funds, FTA will apportion the funds based on the formula and the pool of applicants, no later than February 1 of each year. Once the applicant has been notified of the apportionment of funds and the eligibility of its application, it should proceed to complete and file the final application. The final application must be submitted electronically if the grantee is using the electronic application process (*i.e.*, TEAM).

(b) The pre-application consists of a Letter of Interest and a Pre-application Worksheet as described as follows:

(1) *Letter of interest.* This letter serves as the cover letter for the Pre-application Worksheet, expressing interest in submitting an application. It describes the overall clean fuel technology program of the agency, including the technology selected, describes the necessary infrastructure to support the program and the long-range objectives of the program including the eventual size of the clean fuel fleet. It summarizes the eligible activities for which the agency is applying and the amount of funds that the agency is seeking.

(2) *Pre-application worksheet.* Applicants must use the worksheet found in Appendix A to this part.

§ 624.7 Certification.

The applicant must use the certification contained in the Annual Notice of Assurances and Certifications pub-

lished in the FEDERAL REGISTER each October.

§ 624.9 Formula.

The Clean Fuels Formula funds will be apportioned according to the following formula:

(a) *Areas with population 1,000,000 and above.* Two thirds of the funds available each fiscal year shall be apportioned to applicants with eligible projects in urban areas with a population of 1,000,000 and above. Of this, 50 percent shall be apportioned so that each applicant receives a grant in an amount equal to the ratio between:

(1) The number of vehicles in the bus fleet of the eligible applicant, weighted by the severity of nonattainment for the area in which the eligible applicant is located; and

(2) The total number of vehicles in the bus fleets of all eligible applicants in areas with a population of 1,000,000 and above, weighted by the severity of nonattainment for all areas in which those eligible projects are located as provided in paragraphs (c) and (d) of this section. The remaining 50 percent shall be apportioned such that each designated recipient receives a grant in an amount equal to the ratio between:

(i) The number of bus passenger miles of the eligible designated recipient, weighted by the severity of nonattainment of the area in which the eligible applicant is located as provided in paragraphs (c) and (d) of this section.

(ii) The total number of bus passenger miles of all eligible applicants in areas with a population of 1,000,000 and above, weighted by the severity of nonattainment of all areas in which those eligible applicants are located as provided in paragraphs (c) and (d) of this section.

(b) *Areas under 1,000,000 population.* The formula for areas under 1,000,000 in population is the same as paragraph (a) of this section, except the formula removes the pool of eligible applicants in areas with a population of 1,000,000 and above and replaces it with the pool of eligible applicants in areas with populations under 1,000,000.

(c) *Weighting factors.* (1) The weighting factor for ozone shall be determined based on the following factors.