



GRANT INSIGHTS

The purpose of the **Natural Gas Distribution Infrastructure and Safety Modernization (NGDISM) Grant Program** is to provide funding for repairing, rehabilitating, or replacing high-risk, leak-prone Natural Gas Distribution Infrastructure (NGDI); or acquiring equipment to reduce incidents and fatalities and avoid economic losses. The NGDISM program aims to advance the safe delivery of energy by reducing the risk profile of existing municipal- and community-owned NGDI that contain these high-risk, leaking, and/or leak-prone pipes. Program funds are authorized through the Infrastructure Investment and Jobs Act (IIJA).

The agency intends to award projects aligned with DOT's and the Administration's priorities of advancing safety, equity, climate and sustainability, workforce development, job quality, and wealth creation.

Federal Agency Name	U.S. Department of Transportation - Pipeline and Hazardous Materials Safety Administration (PHMSA)
Funding Opportunity	Natural Gas Distribution Infrastructure and Safety Modernization (NGDISM) Grant Program - FY2024
NOFO Release Date	03/09/2024
Application Due Date	06/20/2024 by 11:59 p.m. PDT via www.Grants.gov
# of Programs:	1. Natural Gas Distribution Projects (i.e., Construction, Equipment, or Other)
Total Funding Available	\$196,000,000
Award Minimum	N/A
Award Maximum	No more than \$125,000,000 to a single entity during the five-year grant program.
Recipient Cost-Share/ Match Requirements:	There are no cost-sharing requirements in the NGDISM Grant Program and voluntary cost-sharing is not a merit criterion or a competitiveness factor.
Summary	<p>Natural Gas Distribution Project - to repair, rehabilitate, or replace existing gas distribution lines, distribution system components, or purchases of equipment that:</p> <ol style="list-style-type: none"> 1. Reduce incidents and fatalities; and 2. Avoid economic losses. <p>Project Eligibility:</p> <ul style="list-style-type: none"> • Construction Costs: equipment and labor costs related to repairing, rehabilitating, or replacing leak-prone NGDI, which includes main lines, service lines, and related components. • Equipment Costs: related to reducing incidents and fatalities and avoiding economic losses. • Equipment Purchases: to improve an operator's leak detection capabilities, address a risk that could lead to the unsafe operation of a system, and/or to improve an operator's ability to locate difficult-to-find legacy pipelines. <p>Applicants are required to provide the "Estimated Reduction in Annual Methane Emissions (kg/year)" of each proposed project within an application.</p> <p>*See Section D.2.5. of NOFO, for a table of Average Methane Emissions Factors (kg/mile activity) for natural gas pipelines, to assist in determining estimated reduction values.</p>



<p>Eligible Applicants</p>	<ul style="list-style-type: none"> • City or township governments owning and operating a natural gas distribution system; • Community-owned utilities owning and operating a natural gas distribution system (owned by the customers it serves); • County governments owning and operating a natural gas distribution system; • Municipality-owned utilities owning and operating a natural gas distribution system (owned by a local government); and • Native American tribal governments (federally recognized) owning and operating a natural gas distribution system. <p>For-profit entities, and/or any pipeline assets owned by a for-profit entity, are not eligible for NGDISM Grant funding.</p> <p>*Applicants may submit applications for multiple projects.</p> <p>**The entity/applicant must be the owner of the natural gas distribution pipeline system at the time of application. Entities operating both transmission and distribution systems may apply for projects involving their distribution systems.</p>
<p>Special Considerations</p>	<ul style="list-style-type: none"> • Each project must be mentioned in and supported by the most recent Distribution Integrity Management Plan (DIMP) assessment. The supporting DIMP assessment must be no older than two years from the date of the NGDISM application. • PHMSA strongly encourages applicants to propose projects that have operational independence or a component of such a project. • Applicants should use the Climate and Economic Justice Screening Tool (CEJST) to identify disadvantaged communities as the primary tool. • Applicants are strongly encouraged to also use the DOT Equitable Transportation Community (ETC) Tool to understand how their community or project area is experiencing disadvantage related to lack of transportation investments or opportunities and are encouraged to use this information in their application to demonstrate how their project will reduce, reverse, or mitigate the burdens of disadvantage. • Ineligible Project Examples: <ul style="list-style-type: none"> • Installing or extending new pipes for the purpose of providing gas services to new customers. • Proposals involving transmission lines, including lowering a transmission line to meet the existing code requirements. • Proposals that will require a PHMSA special permit and/or approval via a PHMSA waiver. • Removal of propane tanks to install a natural gas piping system.
<p>Notes</p>	<p>Grant funds are available for award/obligation through September 30, 2035.</p> <p>NGDISM Program Goals: (1) focus on projects that will have the greatest benefits for communities of all sizes needing the most support to make their natural gas distribution pipelines safer for their residents and businesses, and to protect our environment from dangerous incidents and/or leaks; (2) benefit disadvantaged communities, in both rural and urban areas, by reducing incidents and fatalities, and avoiding economic losses caused by natural gas distribution pipeline failures; and (3) protect our environment and reduce climate impacts by remediating aged and failing NGDI.</p>
<p>Contact Information</p>	<p>Name: PHMSA NGDISM Program Team - NGDISM Grant Team Email/Phone: PHMSAPipelineBILGrant.dot.gov; and (202) 366-7652</p>

