

FY 2026 NGDISM Grant NOFO
 Funding Opportunity Number 693JK326NF0013
 Frequently Asked Questions (FAQs)
 Last Updated: May 1, 2026

Questions regarding the FY 2026 NGDISM Grant NOFO should be sent via email to PHMSAPipelineBILGrant@dot.gov. PHMSA will post responses to Grants.gov.

Number	Question	Answer
1	Can you give me more information on the grant, please? Is this a match type of grant?	No, this grant does not require match. For more information on the grant, please visit https://www.phmsa.dot.gov/about-phmsa/working-phmsa/grants/pipeline/natural-gas-distribution-infrastructure-safety-and-modernization-grants .
2	Is it possible to review grant docs from previously successful recipients? If so pls provide details.	<p>Here are the links to past NGDISM Grant awardees:</p> <p>FY 2024 grant recipients: https://www.phmsa.dot.gov/news/phmsa-fy2024-natural-gas-distribution-infrastructure-safety-and-modernization-grants</p> <p>FY 2023 grant recipients: https://www.phmsa.dot.gov/about-phmsa/working-phmsa/grants/pipeline/phmsa-fy-2023-natural-gas-distribution-infrastructure-safety-and-modernization-grant-awards</p> <p>FY 2022 grant recipients: https://www.phmsa.dot.gov/about-phmsa/working-phmsa/natural-gas-distribution-infrastructure-safety-and-modernization-grants</p>

Number	Question	Answer
3	<p>Are the following items qualified as eligible equipment under the program?</p> <ol style="list-style-type: none"> 1. HMI software (AVEVA) upgrades for the system that monitors and controls boilers, vaporizers, temperatures, and valves at LNG storage and vaporization facilities, ensuring a continuous supply to the distribution regulators. 2. Emergency backup generators sized to maintain critical operations at LNG storage and vaporization facilities during grid power loss events, which is based on LNG supply reliance, would result in loss of distribution pressure and gas supply to customers. 	<p>No, these items are not eligible for the NGDISM grant program.</p>
4	<p>We are trying to do a gas line extension to help improve our gas line system I was just wondering/wanting to know if we would qualify for this grant.</p>	<p>Grant funds support efforts to repair, rehabilitate, or replace existing pipeline distribution infrastructure. Installing or extending new natural gas capabilities is not an eligible use of funds. For example, a project that proposes to install or extend new pipe for the purposes of providing services to new customers is not eligible.</p>
5	<p>We want to confirm that BABAA compliance pertains to the purchase of odorant injection systems (mobile and fixed)? There appears to be one main manufacturer of these units that is based in the US.</p>	<p>If the item is affixed to infrastructure, then it is subject to Buy America requirements.</p>

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6	Would gate station meters fall within the programmatic waiver for meters for the NGDISM grants?	No, the gate station meter is not included in the BABA programmatic waiver.
7	Do we need to submit a preliminary engineering report with the application? If so, is there a requirement for us to go through the procurement process first?	No, applicants are not required to submit a preliminary engineering report with the application. PHMSA advises prospective applicants to wait to initiate procurement activities until a grant agreement is signed with the agency.
8	What administration activities are eligible for reimbursement?	Allowable administrative activities are defined at 2 CFR Part 200 Subpart E.
9	Are internal labor costs allowed?	Yes, internal labor costs are allowed.
10	If repairs to the road and/or sidewalk are necessary due to the pipeline replacement project, are those eligible as construction related costs?	Yes, restoration costs are allowed. Improvement or rehabilitation for the entire right-of-way is not allowed.
11	Is there an expiration date on previous cost estimates (as in no more than 12-months, etc.)?	No, there is no expiration date on previous cost estimates. PHMSA advises prospective applicants to forecast cost increases.
12	For a replacement construction project, is an indirect cost rate agreement needed?	An indirect cost rate agreement is optional. A prospective applicant does not need an indirect cost rate agreement to be selected for award. A prospective applicant may elect the <i>de minimis</i> indirect cost rate. However, this is not required to be selected for award.
13	If awarded, is there a recommended schedule for reimbursement or is it as needed?	Grant recipients may request reimbursement as needed. PHMSA does not have a set schedule for reimbursement.
14	Will the option be available this year to reload a previous request that was denied because other projects were deemed to have a higher priority?	Applicants may resubmit projects that were not selected for award under previous NOFOs.

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15	If my City has multiple UEIs, which UEI should I use with my grant application?	PHMSA recommends prospective applicants with more than one UEI carefully consider the UEI used to submit the grant application. The UEI associated with the grant application should be the same UEI the applicant anticipates being reimbursed under.
16	<p>Could you please clarify whether a formal interlocal/intergovernmental agreement between a regional planning commission and a municipality must be in place at the time of application, or if such an agreement can be executed at a later stage?</p> <p>The regional planning commission intends to provide technical and administrative assistance to small and rural municipalities that may not have the internal capacity to manage the application process. In this role, the regional planning commission would be supporting applicants throughout the grant process.</p>	<p>PHMSA advises prospective applicants to wait to initiate procurement activities until the grant agreement is signed with the agency.</p> <p>If selected for award, the applicant will need to follow the Federal procurement standards in 2 CFR 200.317-327. Note that 2 CFR 200.320(a) allows for informal procurement methods for micro-purchases (total spent on the consultant is less than \$15,000) and small purchases (total spent on the consultant is less than \$350,000). These informal procurement methods do not require a formal bidding/proposal process. The applicant should also follow its organization's internal procurement policy.</p> <p>Consultants that work on an approved NGDISM funded project(s) are an allowable/reimbursable Federal grant cost. Please note costs associated with the drafting of a grant application are not an allowable/reimbursable Federal grant cost.</p>
17	Where can I find a template of a resolution to present to city council for approval for submitting an application. Is a resolution required to receive funding?	No, a resolution is not required to receive funding.
18	Would integrity digs be eligible for a PHMSA grant?	No. Activities that are already required by regulation are out of scope.

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19	Is this grant available to public school districts?	This grant is available to municipal or community-owned utilities (not including for-profit entities). A community-owned system is owned by the customers it serves. A municipal-owned system is owned by a local government or state body. In order to be eligible for the NGDISM grant, the utility must be community- or municipal-owned and cannot be a for-profit entity.
20	I would greatly appreciate any information, guidance, or direction you can provide regarding current or upcoming grants, as well as the application process.	The FY 2026 NOFO has been posted to Grants.gov. You can access it here: https://grants.gov/search-results-detail/361603 . The final day to submit applications is May 22, 2026.
21	I am attempting to apply for the above grant. The instructions say to affiliate our organization with the grantor. Is this something with which you can help? Please respond all.	Options for additional questions on how to register and/or to resolve Grants.gov issues are: 1. Utilize Grants.gov Online Self-Help (click here). 2. Utilize Grants.gov “Create a Ticket” feature (click here). 3. Contact Grants.gov Support Desk, 24 hours a day, seven days a week, excluding Federal holidays, by phone at 800-518-4726 or by e-mail at support@grants.gov .
22	Can you provide more guidance on applications containing multiple projects and what constitutes a single project? If two work sites are several miles from each other, is that enough for it to be considered separate projects? Is there an advantage or disadvantage to submitting multiple projects in one application versus an application for each project?	If feasible, PHMSA encourages applicants to submit one application with projects appropriately segmented. If the projects lack a reasonable tie-in, or if segmenting the projects prove to be more burdensome, applicants should consider submitting separate applications. Applicants who submit multiple applications receive no advantage compared to applicants who propose multiple projects in a single application.

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23	My question is regarding what the program is looking for in regard to job creation for a project that would just replace existing equipment.	The programmatic review criteria for construction projects considers whether the project will create jobs. However, the programmatic review criteria for equipment-only projects does not consider whether the project will create jobs.
24	An existing service line to an industrial customer is not meeting current demands. Propose replacing existing natural gas line with a larger line to meet the customer requirement. This appears to meet eligibility requirements.	The grant program is intended to support local and municipally-owned utilities to repair, replace, or rehabilitate natural gas pipelines that are leaking or prone to leaking. The grant program is intended to promote public safety, rather than enhance the capabilities of an industrial customer.
25	Our current DIMP is a 50-page Word document that defines and summarizes our system characteristics, threats, risks, etc., with an additional 86 pages of supporting data tables and calculations used to rank and prioritize mitigation measures. Do you require the supporting tables/calculations in our submission or is the Word document sufficient?	Please send the 50-page Word document; the 86 pages of supporting data tables and calculations are not necessary.
26	On the NGDISM grant program landing page for grant recipients, there are procurement slides that say, "Contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements." (slide 23) Does this apply only to contractors drafting specs and requirements etc. for bid packages, or does it also apply to contractors who provide information and estimates for inclusion in the grant application?	Applicants may collect cost information, such as quotes and estimates, from vendors in order to develop the budget and budget narrative. Vendors who provide quotes or estimates to applicants may later compete for procurement, assuming they did not participate in that procurement's development or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals.

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27	<p>Would SCADA and GPS equipment be eligible expenses under the grant? Is the replacement of existing gas meters with the Automatic Meter Reading (AMR) System an eligible expense?</p>	<p>The purchase of equipment to improve an operator’s leak detection system or address a vulnerability that could lead to the unsafe operation of a system falls within the scope of the program. However, applicants should consider whether equipment costs are reasonable and cost effective compared to other equipment that serve the same purpose. PHMSA will evaluate each project for its conformance to the grant program's requirements and all the criteria set forth in the NOFO.</p>
28	<p>We are interested in applying for the grant for both a construction project and UNRELATED leak detection equipment. Form 424A says for “equipment only” which this is not, obviously; however, form 424C says the equipment must be “related to the [construction] project”, which it is also not. I know it won’t be two separate applications, but do we need to fill out both forms or how do we proceed?</p>	<p>For an application with a construction project and an equipment-only project, please complete the SF-424C. The SF-424C should reflect all of the costs associated with the application.</p>
29	<p>Are gas meters eligible expenses under the NGDSM grant program?</p>	<p>The purchase of equipment to improve an operator’s leak detection system or address a vulnerability that could lead to the unsafe operation of a system falls within the scope of the program. However, applicants should consider whether equipment costs are reasonable and cost effective compared to other equipment that serve the same purpose. PHMSA will evaluate each project for its conformance to the grant program's requirements and all the criteria set forth in the NOFO.</p>

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30	<p>We are currently preparing an FY26 application under the NGDISM grant program and are seeking clarification regarding the identification and documentation of “Areas of Persistent Poverty” as referenced through the Infrastructure Investment and Jobs Act. While the statutory definition is noted, we have not identified a clearly designated or preferred federal mapping resource for determining whether a proposed project area qualifies. Could you please advise whether PHMSA recommends or accepts a specific tool for this purpose? Any guidance on acceptable methodologies or documentation standards would be greatly appreciated.</p>	<p>No, there is no such tool.</p>