

## **Illinois Clean Diesel Grant Program Fact Sheet & Guidelines**

### **Summary**

This Fact Sheet & Guidelines document is to assist the applicant in understanding the objectives of the Illinois Clean Diesel Grant Program and the types of projects that the Illinois EPA is interested in funding. Be sure to read all of the documents contained in the links for the Illinois Clean Diesel Grant Program on our website at [www.illinoisgreenfleets.org](http://www.illinoisgreenfleets.org) in order to submit a complete application.

### **Background**

As part of the U.S. Environmental Protection Agency's National Clean Diesel Campaign and the Midwest Clean Diesel Initiative, the Illinois EPA administers the Illinois Clean Diesel Grant Program. The goal of this program is to reduce particulate matter emissions and other pollutants from diesel-powered vehicles and to improve public health. Studies have shown that diesel emissions pose a health threat to children, the elderly, those with respiratory illnesses, and others that are routinely exposed to particulate emissions. The Chicago and Metro-East St. Louis areas do not meet the national air quality standard for particulate matter. Other areas of Illinois are also at risk of violating this standard and/or have higher concentrations of particulates. The Illinois Clean Diesel Grant Program will assist the State and various fleets in reducing diesel emissions to provide a healthier environment and improved air quality in these areas and in our communities.

Diesel engines often have long service lives and can be rebuilt. There are many engines still in use that were certified to less stringent emission standards in effect at the time of their manufacture and lack the advanced emission controls in existence today. Engines manufactured as recently as 2006 and those built during the 1990's do not have the most advanced technologies to reduce emissions. The engine manufacturers, diesel retrofit product manufacturers, and the associated diesel retailers offer various types of engine retrofit technologies designed to reduce the emissions of existing diesel vehicles and equipment. A few of these after-market equipment options are also designed to reduce fuel consumption and improve operational efficiencies resulting in cost-savings benefits.

### **Application/Project Information**

#### *1. Applicant Eligibility*

The applicants eligible for this program include organizations in Illinois that operate diesel vehicles and off-road equipment:

- Local governments
- School districts and school bus companies
- Colleges and universities
- Mass transit districts
- Businesses, including small businesses
- Truck owners/operators

- Non-profit organizations

Eligible applicants for the Illinois Clean Diesel Grant Program must be located in Illinois, the diesel vehicles or equipment must be domiciled in Illinois, and the vehicles or equipment must be primarily operated or driven in Illinois. For truck owners/operators, over-the-road trucks will be considered for funding if the trucks are primarily driven in Illinois and throughout the Midwest. Leased vehicles or equipment will be considered for funding if certain conditions are met. Call the Illinois EPA at (217) 557-1441 for more information.

## 2. *Types of Eligible Vehicles*

The types of diesel vehicles that the Illinois EPA is looking to fund for clean diesel projects in the Illinois Clean Diesel Grant Program include:

- Class 4 (14,001-16,000 GVWR): Delivery trucks and similar vehicles
- Class 5 (16,001-19,500 GVWR): Bucket trucks, delivery trucks, school buses, shuttle buses, and similar vehicles
- Class 6 (19,501-26,000 GVWR): School buses, shuttle buses, beverage trucks, and similar vehicles
- Class 7 (26,001-33,000 GVWR): Transit buses, larger work trucks, and similar vehicles
- Class 8 (>33,000 GVWR): Over-the-road trucks, refuse trucks, dump trucks, cement trucks, and similar vehicles
- Diesel vehicles or equipment that will remain in service in the fleet for at least five more years after the completion of the project
- Vehicles that are in continuous service and not used as “reserve vehicles” to substitute for another unit on a short-term basis
- Except for over-the-road trucks, diesel vehicles that are primarily driven or used in urban areas, such as on city streets and highways, in or near parks and residential areas, or other areas where exposure to diesel emissions occur
- Off-road diesel equipment with older, higher polluting engines to be repowered with new, cleaner engines (depending on funding availability).

## 3. *Types of Retrofit Equipment and Technologies*

There are several clean diesel product options that have been EPA-verified or EPA-certified to reduce diesel emissions. In addition, diesel retrofit products are certified by the California Air Resources Board (CARB). Diesel retrofit products, including their manufacturer, must be currently on the EPA’s “Verified Technologies List” and/or currently verified by CARB to be eligible for this grant program. For idling equipment, such as auxiliary power units and direct-fired heaters, the equipment model and its manufacturer should be on the EPA’s “Idle Reduction Technologies” list. Both of these lists can be found at [www.illinoisgreenfleets.org](http://www.illinoisgreenfleets.org). The types of clean diesel retrofits, idling equipment, or other technology options for this program include:

- Diesel Oxidation Catalysts (DOC)
- Diesel Particulate Filters (DPF)<sup>1</sup>
- Closed Crankcase Ventilation (CCV) Systems

- Direct-Fired Heaters (DFH)<sup>2</sup> and similar equipment to reduce idling
- Auxiliary Power Units (APU)<sup>2</sup>
- Diesel Hybrid Vehicles
- Engine Repowers (depending on funding availability)
- Other types of technologies that may not be listed above or are combinations of equipment (e.g., DOC & CCV) and are on the Verified Technologies List or the Idle Reduction Technologies List where the equipment is appropriate for the vehicle application and utilization.

<sup>1</sup>Vehicles selected for Diesel Particulate Filters should not have an Exhaust Gas Recirculation (EGR) engine, as these are often incompatible with DPFs. Please coordinate with your equipment vendor or the manufacturer’s representatives in assessing whether DPFs are compatible for your type of vehicle, engine, and vehicle utilization.

<sup>2</sup>The California Air Resources Board (CARB) has more stringent emission requirements for APUs. If your grant application involves the purchase of an APU for affected trucks or buses that operate in the State of California at any time, the APU must be certified by CARB to meet its current regulations. Please click on the “APU Certification Requirements for Trucks Driving in California” link at [www.illinoisgreenfleets.org](http://www.illinoisgreenfleets.org) for more information.

Idling equipment, such as direct-fired heaters (DFH), auxiliary power units (APU), battery air conditioning systems (BAC) and similar products, would be appropriate for vehicles that tend to have the main engine running to operate electrical systems, auxiliary equipment, to keep the engine and fluids warm during cold weather, and to heat or cool the cabin for the driver or passengers. The types of vehicles and their utilization appropriate for idling equipment include:

- Trucks in which the drivers must keep the engines operating to keep cargo at a certain temperature (e.g., refrigerated truck)
- Long haul trucks in which the drivers are required, by federal law, to take a mandatory 10-hour rest period each day. Many long haul drivers keep the main engine running to power air conditioning, heat, televisions, microwaves, and other electronic items in the cab while resting. In addition, idling equipment on a truck benefits both the driver and the public at rest stops, truck stops, loading docks, businesses or near residential areas where the driver may need to run the engine while the vehicle is parked.
- School buses that are parked outdoors while not in use and where it is often necessary to leave the engines idle for significant amounts of time in order to keep the engine, fluids, and cabin up to temperature to alleviate cold weather operational concerns

Diesel Hybrid Vehicles are appropriate for the following types of applications:

- Vehicles that do a lot of city driving in “stop and go traffic” where hybrid technology will improve fuel efficiency and reduce emissions.
- Buses, including mass transit, school, commercial, and shuttle buses, that drive in urban areas and normally idle while loading or unloading passengers to keep the vehicle cabin comfortable, are in use for many hours during the day, and have a lot of daily “standing time” in waiting for passengers to board.

- Vehicles that idle the main engine to provide auxiliary power to on-board equipment or other purposes in the scope of conducting their business (e.g., utility trucks).

**Important Information in Applying for Diesel Hybrid Vehicles or Engine Repowers:** Pursuant to U.S. EPA requirements for acquiring diesel hybrid vehicles, it is important for the applicant to understand that for each new diesel hybrid vehicle being acquired through this program, an existing in-service vehicle/engine must be scrapped or disassembled so that it is no longer operable. For engine repowers, the old engine removed from the equipment unit must also be rendered inoperable and scrapped. The scrapped or disassembled vehicle in hybrid projects must currently be an in-service diesel vehicle that is similar to the hybrid being purchased. If your proposed diesel hybrid or engine repower project application is under consideration for approval, the Illinois EPA will contact you to discuss the procedures involving the hybrid purchase or engine repower and the associated vehicle or engine disassembly and scrapping.

#### 4. *Application & Funding Process*

##### Before Developing the Project

- The Illinois EPA has made significant efforts in making the application process as easy as possible for fleet managers and equipment vendors while meeting the requirements for federal and state grants and all applicable laws. Please review the links on our website at [www.illinoisgreenfleets.org](http://www.illinoisgreenfleets.org) in the Illinois Clean Diesel Grant Program section. All application and informational materials for this program, including this Fact Sheet & Guidelines document, the instructions, and the application form, can be found on this website. Be sure to download the current forms, instructions, and related materials. Do not use forms from previous years that you may have copied and saved, as our forms and other materials periodically change. The applicant is responsible for reviewing all of the information provided in the links under the Illinois Clean Diesel Grant Program heading and in following through the procedures outlined in the posted materials.
- The Illinois EPA is using several different types of federal funding and other funding sources for this program. Certain funds have geographic, vehicle-type, equipment options, or other project-related restrictions. In addition, certain funds have specific document or certification requirements that will be needed from you for your project. We will work with you in getting the required paperwork completed and submitted.
- It is likely that we will not be able to fund all submitted project applications. However, projects that cannot be provided grants with current funding will be placed “on hold” for future funding opportunities. Applications will not necessarily be approved on a “first come, first served” basis. The Illinois EPA will determine which projects are best suited to meet the objectives of the program and satisfy the specific criteria of each funding source being utilized.
- The “Current Funding” link on the website will provide information on the types of projects we are currently looking for, the geographic areas of the State that we have funding available, and the amount of grant monies available or remaining for certain funds. We will match clean diesel project applications with a fund that meets the criteria of the submitted project proposal. In addition, the “Required Matches” link provides

information on any required matches you may need to provide.

- The Illinois EPA has the right to “trim down” or otherwise modify a project proposal outlined on an application so that it matches our current funding resources or criteria. If this is the case, we will contact the applicant in advance to make sure that any proposal changes are agreed upon and will still meet the fleet’s vehicle/equipment and operational needs.

#### While Developing the Project

- The applicant needs to work in partnership with the truck dealer or equipment vendor that will be selling the diesel retrofit equipment, idling equipment, or new diesel hybrid vehicle or new engine. The dealer/vendor can help the applicant decide the types of products that will best meet the vehicle and utilization needs.
- Check to make sure that the diesel retrofit equipment is on the EPA’s Verified Technologies List or, with idling equipment, the Idle Reduction Technologies List as discussed in Section 3 above. The vendor should be able to confirm this with the manufacturer’s representatives. If an applicant is applying for an APU or other type of idle reduction equipment and a truck travels through the State of California, be sure that it meets the new CARB requirements discussed in Section 3. See the link for “APU Certification Requirements for Trucks Driving in California” at [www.illinoisgreenfleets.org](http://www.illinoisgreenfleets.org).

#### Completing the Application

- Read the “Illinois Clean Diesel Grant Program Application Instructions,” and complete the Illinois Clean Diesel Grant Program Application Form and Vehicle Information Spreadsheet. Be sure to provide the “additional project information” as discussed in the instructions along with the other requested forms.
- Send a copy of the vendor’s “cost quote” with the completed application materials. The cost quote/project estimate should include the unit cost, the installation cost, and the total cost.
- Cash matches from approved applicants may be required, depending on the clean diesel option. Click on the “Required Matches” link on the website for information on whether you will need to provide a match.

#### Processing the Application

- The Illinois EPA will contact the applicant if the project application is being considered or has been approved for funding. In addition, we will check on any changes to the proposed project outlined in the application since the time it was submitted (e.g., several weeks or months may have elapsed since the application was submitted).
- Approved applicants will receive a “Grant Agreement” and other documents in the mail or via email. They are to sign all the documents and return them to the agency in a timely manner.

- After the Grant Agreement is signed by the applicant and the agency, a copy of it will be sent to the applicant, along with a project confirmation letter. This letter will inform the applicant that they may proceed with getting the equipment purchased and installed as agreed upon in the grant agreement. **Important: The project coordinator is NOT to make any purchases and start the project until after the grant agreement has been signed and a project confirmation letter has been issued by the Illinois EPA.**
- The Illinois EPA or project coordinator will need to submit quarterly reports until the project is completed. It is expected that the applicant will provide any needed information before, during, or after the project is implemented or completed to ensure that the reporting requirements are satisfied.

### Receiving the Grant

- When the work on the project is fully completed, the vendor and/or applicant needs to provide the Illinois EPA with the final invoice showing that the units were purchased and, if applicable, installed. The invoice must identify all associated costs incurred with the project. With certain exceptions, such as schools and local governments, the applicant may need to pay the vendor at the time of project completion and submit a “paid invoice” to the agency for reimbursement. However, please contact the agency if a financial hardship exists where you cannot pay the vendor up-front prior to receiving the grant. If an applicant cash match is required, this match amount is to be paid to the vendor at the completion of the project and be shown on the final invoice as payment being made. The invoice submitted to the agency needs to reference the name of the fleet or organization for which the work was performed. The invoice should accompany a brief cover letter or email from the applicant noting that the work is completed and that the applicant is requesting the grant.
- In addition to the invoice, the vendor must complete a Certification of Installation form. This form is to be sent by the vendor or the applicant with the invoice. For engine repower projects or hybrid vehicle purchases involving scrappage, agency staff will inform the project coordinator on the needed documentation to satisfy federal requirements prior to the grant being disbursed.
- For some projects, the agency may want to conduct a visual inspection. Agency staff will make arrangements if an inspection is necessary.
- The Illinois EPA will begin processing the grant when the final invoice and Certification of Installation form have been received and, if needed, the inspection being completed. Normally, it may take four to six weeks for a check issuance to be processed by the State for grant-related projects after receipt of the final invoice and other required documents.