

217/557-1441

October 21, 2008

Re: Updated Information on Illinois Alternate Fuels Rebate Program

Dear Illinois Car Dealer:

As you know, many types of new and used vehicles that your dealership may sell are flexible fuel vehicles that can operate with E85 (85% ethanol fuel) as well as gasoline. These vehicles are usually labeled as E85 flexible fuel vehicles on the inside of the fuel door ("E85 or Unleaded Gasoline Only"), come with a yellow E85 gas cap, badged as "flex fuel vehicles" on the rear of the vehicle, and/or indicated on the paperwork or window sticker of a new vehicle.

The Illinois Environmental Protection Agency offers rebates for alternate fuel vehicles, including those that run on E85 fuel. While this program is open to most alternate fuels, dealerships usually only sell those that run on E85. Therefore, this letter will address the E85 portions of the program. The Alternate Fuels Rebate Program offers two types of rebates for E85, a "Vehicle Rebate" and a "Fuel Rebate." The customer may only choose one type of rebate. The Vehicle Rebate is only for certain new E85 vehicles, while the Fuel Rebate may be utilized for new or used E85 vehicles that have not already received a rebate.

Specific to your interest, we can only issue a "Vehicle Rebate" for a new E85 flex fuel vehicle if the E85 vehicle costs more than its gasoline-only counterpart of the same make, model, and model year. Many new E85 flex fuel vehicles do not have an "up-charge" as compared to their gasoline-only counterparts and would not be eligible for the Vehicle Rebate. However, we have come across some makes and models that have an E85 vehicle or engine up-charge for the flex fuel engine.

If a vehicle is eligible for an E85 Vehicle Rebate, the customer will need documentation that the new E85 vehicle has an up-charge because he/she purchased the E85 flex fuel version of that vehicle. Quite often, this up-charge is distinctly listed on the vehicle options section of the window sticker or other paperwork. If we see a **distinct and separately listed up-charge** for the E85 flex fuel vehicle or engine on the paperwork, meaning that the customer is paying more for that vehicle/engine versus the regular gasoline model of that vehicle, then the customer would be eligible for a Vehicle Rebate, unless they choose to apply for the E85 Fuel Rebate. However, we have also seen on some applications that the E85 flex fuel engine option was listed on the window sticker or other paperwork for the new vehicle, but the engine did not appear to have an up-charge, or that

the flex fuel engine was part of an upgrade package that included other options where we cannot isolate the up-charge cost of just the flex fuel engine. In these cases, we cannot issue a rebate unless we see documentation showing only the up-charge for the flex fuel engine.

For both the E85 Vehicle Rebate and the E85 Fuel Rebate, the application forms, instructions, and due dates for the “Alternate Fuels Rebate Program” are on-line at [www.illinoisgreenfleets.org](http://www.illinoisgreenfleets.org). With only one exception, the applications must be submitted by the end of the year. Due to limited staff, please refer to the information on the website and inform the customer about the two types of E85 rebates that we offer and the website for them to go to. If you have a question that is not addressed on the website, then call (217) 557-1441. In addition, the customer has the responsibility in applying for this rebate. We discourage dealer representatives in completing the application or applying for a rebate on behalf of the customers. This has unfortunately resulted in erroneous and “denied” applications in the past.

Please share this letter with your sales associates.

Sincerely,

A handwritten signature in black ink, appearing to read "Darwin J. Burkhart". The signature is fluid and cursive, with the first name "Darwin" and last name "Burkhart" clearly distinguishable.

Darwin J. Burkhart, Manager  
Alternate Fuel Programs  
Division of Mobile Source Programs