

## ARRA - Wisconsin Clean Diesel Grant Program – Guidelines & Instructions

Information and forms for this program can be found at: <http://dnr.wi.gov/air/mobile/CleanDieselGP.htm>

**FUNDING:** The WDNR received grant funds from the U.S. EPA through the American Recovery & Reinvestment Act of 2009 (ARRA) to help fund projects that reduce diesel emissions in Wisconsin. Approximately \$1,660,000 is available in this *Wisconsin Clean Diesel Grant Program*. Grants awarded in this program are used to fund projects for the reduction of diesel emissions from on-road, off-road and stationary sources. Award recipient requirements outlined in this guidance are subject to change as dictated by ARRA guidance.

### PARTICIPATION PROCESS OVERVIEW:

1. **ONLY ONE APPLICATION PER FLEET/APPLICANT.**
2. Determine eligibility by reviewing the guidelines below.
3. Decide what pieces of equipment you want to address and types of technologies best suited for the equipment. Dealers/vendors can help with this process. If selecting exhaust control retrofit devices, they must be EPA or CARB verified. Check for verified products on the following websites:  
<http://www.epa.gov/otaq/retrofit/verif-list.htm>  
<http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm>  
<http://www.epa.gov/otaq/smartway/transport/what-smartway/verified-technologies.htm#idle>
4. Obtain price quotes from qualified vendors (base price plus installation) using the grant program's Price Quote Form. Obtain proof of EPA or CARB verification from vendors if acquiring quotes for exhaust retrofit devices.
5. Complete all required documents and use the Application Checklist to ensure a complete application. **Incomplete applications may be rejected.** Required documents include:
  - Application Worksheet
  - Price Quote Form for each product you intend to acquire (plus proof of EPA or CARB verification for retrofits)
  - Certification Statement Form
  - Written approval from owner - If the applicant is not the owner of the eligible equipment, obtain written approval from owner acknowledging permission to participate in this project.
6. Submit forms and supporting documents (if applicable) **postmarked by August 3, 2009** to:  
**Wisconsin Department of Natural Resources**  
**ARRA Clean Diesel Grant Program – AM/7**  
**PO Box 7921**  
**Madison, WI 53707-7921**
7. Award recipients will be notified approximately 45 days after application deadline. If grant is awarded, recipients must review, complete and submit Agreement and other required documents within 30 days of the award notification date.
8. Purchase and install the award devices. **Items purchased and/or installed before execution of award agreement will NOT be reimbursed.**
9. Submit a request for reimbursement with invoice(s) and other required documents within 120 days of agreement date.
10. Submit annual report, or more frequently as specified by federal guidance.

## **ELIGIBLE EQUIPMENT:**

- Operates on diesel fuel
- Is an on-road vehicle, off-road equipment, or stationary engine
- Retrofitted vehicles/equipment which applicant intends to keep in the fleet for at least: 3 years for on-road vehicle; 3 years or 3,000 hours, whichever comes first for off-road equipment; and 3 years or 6,000 hours, whichever comes first for stationary engines.
- Vehicle/equipment replacement which applicant intends to keep in fleet for at least 5 years.
- Has had a NOx reflash/low NOx rebuild, if applicable (on pre-1999 on-road vehicles affected by the federal Heavy Duty Diesel Engine Consent Decree)

**NOTE: FOR THIS GRANT PROGRAM ONLY**, emission reductions which are mandated by law are eligible for funding. Previous and future grant programs may not allow for funding of mandated emission reductions.

## **ELIGIBLE APPLICANT:**

- Owns the equipment *or, if leased, the applicant must provide a written statement from owner providing permission to alter the equipment.*
- Is headquartered in Wisconsin or has an operational base office in Wisconsin
- Is able to meet the minimum match requirements (if applicable). Match is to be provided by actual cash outlay. Other federal or state grants *can not* be used as match on this grant.
- Has or will obtain a Dun and Bradstreet Universal Numbering System (DUNS) number, and has or will register in the Central Contractor Registration (CCR). Obtain number at [www.dnb.com](http://www.dnb.com) and register at [www.ccr.gov](http://www.ccr.gov). This will be required by recipients before the project can commence. (see “Requirements if Awarded” section below).
- Has an Affirmative Action Plan unless exempt. The complete instructions for Affirmative Action Requirements can be downloaded from <http://vendornet.state.wi.us/vendornet/contract/contcom.asp>.

## **ELIGIBLE STRATEGIES, COSTS & MATCH REQUIREMENTS:**

Grant awards are capped at a maximum amount of \$100,000 per applicant (excludes match dollars) and can include a combination of any of the following strategies for the costs of technology (plus cost of installation if performed by vendor):

- **Exhaust Control Retrofits** - grant covers 100% of cost [up to total grant award of \$100,000] for EPA or CARB verified retrofit devices.
- **On-board Idling Reduction Devices** - grant covers 50% of cost [up to total grant award of \$100,000] for EPA-verified devices that are installed on the vehicle.
- **Engine Emission Upgrades** – grant covers 100% of engine emission upgrade kits [up to total grant award of \$100,000].
- **Engine Repower/Replacement<sup>1</sup>** - grant covers 75% of cost [up to total grant award of \$100,000] for replacing unregulated or Tier 0 engines with engines certified to more stringent emission standards.
- **Vehicle/Equipment Replacement<sup>1,2</sup>** – grant covers 25% of cost [up to total grant award of \$100,000] for replacing, ahead of normal attrition schedule, unregulated or Tier 0 vehicle/equipment with a vehicle/equipment of the same function that is certified to more stringent engine emission standards.

<sup>1</sup> Engine and equipment acquisitions are for replacement of existing engine/equipment, not for additions to fleet. Replacement grants are targeted at early replacement of engines and equipment manufactured prior to emission standards (for on-road vehicles older than model year 1998 and off-road or stationary equipment older than model year 1996). The new engine/equipment must meet newer, cleaner engine emission standards and must be for replacing engine or equipment of same type and function. The engine and/or equipment being replaced must be permanently disabled (hole through engine block, chassis cut in half) or returned to manufacturer for remanufacturing. The old engine can not be kept in fleet or sold, but may be kept for parts after disabling. If parts of replaced equipment are sold or funds received from salvage of equipment, any income received must be reported to DNR and will be subtracted from the total project cost.

<sup>2</sup> Vehicle/Equipment replacement is only for replacing machines operated by a diesel engine. Cost of trailers is not eligible unless equipped with a diesel-fueled engine.

## **INELIGIBLE COSTS:**

- Items purchased and/or installed before execution of award contract
- Using these grant funds as "match" on another grant or combining this grant award with funds received under another grant program to fund the same project (i.e., can not combine multiple grants to cover costs for the same technology on the same vehicle)
- Installation costs if performed by the applicant
- Engine and equipment replacements that were planned to occur before September 30, 2010 as part of normal turnover
- Purchase of additional equipment (grant is for replacements only, not additions)
- Disposal costs for engine and equipment replacements or any devices that are removed (old engine and chassis must be permanently disabled or returned to manufacturer)
- Operation and maintenance costs
- Optional accessories that are in addition to the basic unit and infrastructure cost
- Cost for low NOx rebuild on applicable pre-1999 vehicles, as required under terms of eligibility

## **APPLICATION PROCESS:**

- Applicants **must fully complete the Application Worksheet**. Applicants are strongly encouraged to complete the Application Worksheet electronically in Microsoft Excel to be able to use the drop-down menus in some of the cells and to access the Form Instructions tab at the bottom of the Worksheet. Print on legal sized paper (8.5"x14") or provide on a CD (only if legal size paper is unavailable).
- Applicants can submit only one application, but may apply for all sectors on the same application (on-road, non-road and stationary). The total amount requested for all sectors combined may not exceed \$100,000 (excluding match).
- Applicants may apply for multiple vehicles and different types of strategies within each sector, but each individual piece of equipment is only eligible to receive funding for one strategy (e.g. a single vehicle may not receive both a retrofit and an idle reduction device).
- Applicants should only apply for projects up to the maximum award amount of \$100,000 (excluding match). Please do not include projects in excess of this limit as we will not be funding those projects if grant funds remain.

## **APPLICATION INSTRUCTIONS (i.e., if you are an eligible applicant with eligible equipment):**

- If leasing the equipment, obtain written permission from owner(s) to alter the equipment.
- [Obtain written price quote\(s\)](#) for the clean diesel technologies you wish to have installed under this grant using the Price Quote Form. *Award recipients must use a competitive process for obtaining products or services and conduct a price analysis to the extent required by Federal, State or local requirements and prudent business practices. Purchases must be conducted in a manner providing free and open competition to the maximum extent practicable.* This process should be used to obtain price quotes *before* applying to secure the best desired product/service at the lowest price. Proof of EPA or CARB verification must accompany quotes for exhaust control retrofit devices.
- Complete project Application Worksheet electronically, making sure to prioritize your list to maximize grant preference selection priorities (below)
- Sign Certification Statement
- Submit Application Worksheet, signed Certification Statement, Price Quote Form(s) (only submit the quotes of those products you intend to purchase with grant), proof of verification for exhaust retrofit devices, and written permission from owner (for leased equipment) **by August 3, 2009**.
  - If awarded, local government recipients will be required to submit an [Authorizing Resolution](#) with the contract agreement to document which authorized representatives are handling each of the grant activities. Please consider routing Resolution for signatures now in preparation for potential award as the award documents will need to be returned promptly.

## **SELECTION PROCESS:**

- Each sector (on-road, off-road, and stationary) will have its own grant selection process. Preference may be given to those projects that address priorities of the funding source, such as: occurring in areas that will maximize health benefits; cost-effectiveness; vehicles with a long expected useful life and high-use equipment; and fuel conservation.
- If selected for an award, equipment will be selected from top to bottom of list until award amount is as close to maximum award without going over. The exact maximum award amount of \$100,000 may be requested if applicant indicates in the Applicant Match portion of the application worksheet that they intend to exceed their match requirement and pay the difference between Total Project Cost and Funding Amount Requested.
- Costs covered by grant include the base price of equipment and necessary installation hardware (and applicable taxes) and the cost of installation if installation is performed by vendor.

## **REQUIREMENTS IF AWARDED:**

- ☑ Sign Agreement with DNR and submit with a W-9 Taxpayer Identification Number Verification form and baseline report (ECM download is required as part of baseline report if equipment is equipped with an ECM). An Authorizing Resolution is required for local governments. Submittal of an affirmative action plan, exemption request or statement of non-applicability is required for recipients.

**NOTE: ARRA guidelines require that all recipients and subrecipients have a DUNS number and be current and active in the CCR. If you do not already have a DUNS number and are not registered in the CCR you will be required to get one as a condition of the award (obtain at [www.dnb.com](http://www.dnb.com) and [www.ccr.gov](http://www.ccr.gov)).**

- ☑ Purchase and install devices
- ☑ Notify all equipment operators on proper use of the technologies
- ☑ Submit reimbursement request with proof of payment (receipt, cancelled check, etc.) within 120 days of signing agreement. Proof of NOx reflash on applicable vehicles, proof of proper engine/vehicle disposal for repowers and replacements, and proof of any income generated from disposal of replaced equipment is also required at this time. **PLEASE NOTE: If recipient is delinquent in payment of Wisconsin taxes, their payments under this grant may be levied by the State of Wisconsin (ss. 71.91 (4),(5) and (6), Wis. Stats).**
- ☑ Submit annual report or more frequently as specified by federal guidance. Reporting details will be outlined in Grant Award Agreement.
- ☑ Keep equipment for the specified amount of time

### **Questions?**

Liesl Doty, (608) 266-7679, [liesl.doty@wisconsin.gov](mailto:liesl.doty@wisconsin.gov)  
Jessica Lawent, (414) 263-8653, [jessica.lawent@wisconsin.gov](mailto:jessica.lawent@wisconsin.gov)  
Muhammed Islam, (608) 264-9219, [muhammed.islam@wisconsin.gov](mailto:muhammed.islam@wisconsin.gov)