## COMMONWEALTH OF PENNSYLVANIA Department of Environmental Protection Bureau of Air Quality

August 16, 2003 787-9495

**SUBJECT:** Diesel Vehicle Retrofit Demonstration Grant

**TO:** Potential Applicants for Diesel Vehicle Retrofit Grant

**FROM:** Arleen Shulman

Chief

Mobile Sources Section

Thank you for your interest in applying for a diesel retrofit demonstration grant. Aftertreatment devices, fuel changes, certain engine rebuilds, and idling reduction technology can greatly reduce pollution emissions from the vehicles owned by or operated on the property of applicants. Diesel vehicles could become as much as 80 percent cleaner through a retrofit project, and most likely any visible smoke or detectable smell would also be eliminated or reduced. The result will be healthier air for the community every day of the year.

The U.S. Environmental Protection Agency (EPA) and several companies satisfying enforcement agreements with EPA are expected to make available millions of dollars for diesel retrofit projects in the next 18 months. Quick turn-around time for these applications is anticipated. The Commonwealth is accepting applications from the operators of diesel fleets in order to have a pool of potential projects for anticipated federal diesel retrofit funding. Some federal grants may target only bus fleets operated by school districts while others may be open to all diesel fleets.

Applications filed under this grant notice will be retained for a period of 18 months in case additional funds become available. No grant awards will be executed with applicants unless and until the Commonwealth receives funding from EPA or other sources. Your application under this process does not preclude you from applying directly for the same diesel retrofit funding if you are eligible to apply directly. Direct application is in fact the preferred alternative. We ask, however, that you advise us if you do so.

We anticipate that we will be awarding more than one grant. Therefore, we need a complete and detailed budget of your proposed project included in your application in order to facilitate administration of this grant. Applicants will need to contact potential equipment vendors to develop a detailed budget and timeline of project goals. The grant application explains what information is required to be submitted.

The grant would reimburse fleets for installation of verified retrofit devices and/or incremental fuel cost increases, certain engine replacements, or installation of approved idling reduction technology. Because retrofits are specific to each vehicle, identification of the type of technology should be accomplished through a cooperative process between the applicant and an equipment vendor.

The following will be used to rank your application:

- Severity of the pollution in the area as determined by ambient air quality monitoring (DEP, local agencies where appropriate and EPA);
- Appropriateness of fleet for retrofit (as determined by fleet and fuel information provided by applicant);
- Potential emission reductions (as determined by fleet and fuel information provided by applicant);
- Cost effectiveness of the project.
- Completeness of your application.
- Proposed projects completed or operating in environmental justice areas and matching contributions to the project will help the competitiveness of the application.

Depending on the quality of the proposed projects that we receive, we may first be selecting the best projects from which we will ask for additional information in order to make a final selection.

We are enclosing the following:

- Attachment A: A question and answer sheet with additional information on diesel retrofits and a glossary of air quality and retrofit terms.
- Attachment B: The application form.

Applications for this grant are due by 5:00 p.m. on October 21, 2003. Your application should include a cover letter with the signature of an official in your organization with the authority to sign formal agreements. Please send your letter and application by postal mail, fax or email to:

Mr. D. Chris Trostle DEP Bureau of Air Quality 400 Market Street PO Box 8468 Harrisburg, PA 17105-8468

(NOTE: If you fax your application, PLEASE send a hard-copy back-up to ensure readability.)

Chris can be reached at 717-787-9494 (<u>dtrostle@state.pa.us</u>). The fax number is 717-772-2303. We look forward to receiving your application.

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NOTE: The Commonwealth reserves the right to reject any or all proposals submitted as a result of this notification.

Attachments

bcc: ARM Reading File