



**REQUEST FOR APPLICATIONS (RFA) 2026  
Kansas Clean Vehicles Program**

**Program Background and Definitions**

The Kansas Department of Health and Environment (KDHE) Clean Vehicles Program provides funding to remove older, more polluting diesel engines from use in priority Kansas counties and replace or repower them with clean diesel, alternative fuel, or electric engines. Projects are funded with moneys allocated to Kansas from the Volkswagen Mitigation Trust Fund, as part of a court-ordered settlement to offset the excess air pollution emitted by some VW vehicles that violated the Clean Air Act.

Diesel is a petroleum-based fossil fuel which has the highest energy density among fossil fuels, storing more energy per gallon than any other transportation fuel. In recent years, diesel engines have become cleaner because of the use of ultra-low sulfur diesel fuel, advances in engine technology and design, and the employment of emission control devices. Ultra-low sulfur diesel use results in a 10 percent reduction in soot from diesel emissions. It also enables the use of emission control devices that cannot be used with higher sulfur content diesel fuels. Diesel engines can run for decades, and due to this longevity, there are many older, higher-emitting diesel engines in operation. This opportunity will allow for replacement for old diesel engines in favor of a new, more efficient, diesel or switch to other fuel.

According to the settlement, "Repower" shall mean to replace an existing engine with a newer, cleaner engine or power source that is certified by EPA and if applicable CARB (California Air Resources Board), to meet a more stringent set of engine emission standards. Repower includes, but is not limited to diesel engine replacement with an electric power source (grid, battery), diesel engine replacement with a fuel cell, diesel engine replacement with an electric generator(s) (genset), Diesel engine upgrades in ferries/tugs with an EPA certified remanufacture system, and/or diesel engine upgrades in ferries/tugs with an EPA verified engine upgrade. All-electric and fuel cell repowers do not require EPA or CARB certification.

In most eligible mitigation action categories, diesel engines can be replaced with an engine certified for use with the following fuels:

- Diesel, including biodiesel and renewable diesel
- Natural gas, including CNG (Compressed Natural Gas), LNG (Liquefied Natural Gas), and RNG (Renewable Natural Gas)
- Propane (Liquid Propane Gas)
- Hybrid (a vehicle that combines an internal combustion engine with a battery and electric motor)
- All-electric (powered exclusively by electricity provided by a battery, fuel cell or the grid)

Replaced vehicles must be scrapped. "Scrapped" shall mean to render inoperable and available for recycle, and, at a minimum, to specifically cut a 3-inch hole in the engine block for all engines. If any eligible vehicle will be replaced as part of an eligible project, scrapped shall also include the disabling of the chassis by cutting the vehicle's frame rails completely in half.

Clean Vehicle Program funds may not be used to pay for fuel or any fueling infrastructure. The funds can be used for charging infrastructure, when associated with new all-electric vehicles, but not with other replacement or repowering options.

For purposes of this RFA, "government" shall mean a state or local government agency (including a school district, municipality, city, county, special district, transit district, joint powers authority, or port authority, owning fleets purchased with government funds), and a tribal government or native village.

### **Program Participation Summary**

Anyone interested in applying for funding should first review the application materials posted on KDHE's website and this RFA to understand project eligibility, record management, and competitive purchasing requirements.

The awarded applicants shall receive funding between \$50,000 and \$2,000,000, to replace or repower diesel engines in certain eligible types of on-road vehicles such as trucks and buses, and certain eligible types of nonroad equipment such as locomotive, marine engines, and cargo handling equipment. All funded vehicles and equipment must meet current US EPA emissions standards. The total funding available for this competitive funding cycle is over \$10,000,000 in funds allocated to Kansas under the VW settlement.

Applicants interested in repowering traditional vehicle engines should pay particular attention to the application guidelines to ensure that proposed conversions to alternative fuels do not violate federal antitampering laws under the Clean Air Act.

Proposed projects should normally be completed before October 1<sup>st</sup>, 2027, but may request an extension and provide justification within the "Schedule Narrative" portion of the online application.

KDHE maintains sole discretion concerning the issuance or denial of any awards applied for under the Clean Vehicles Program, including the amount awarded to any recipient regardless of the amount applied for. Accordingly, KDHE may award a partial amount requested, award fewer projects than anticipated, or issue no awards if determined appropriate by KDHE. KDHE may request additional information from applicants to assist in the review process.

For questions regarding the online application, please email [kdhe.ksvwsettlement@ks.gov](mailto:kdhe.ksvwsettlement@ks.gov).

## **SECTION 1: PROGRAM REQUIREMENTS**

### **1.1 Fund Reimbursement Policy**

This is a reimbursement program requiring applicants to cover expenses as they are incurred. Applications must include a demonstration that the applicant will cover the full cost of the project prior to approval of the reimbursement if the project is awarded. Projects selected for funding will then be reimbursed up to the amount authorized for that project after the awardee submits acceptable documentation to show that eligible expenses have already been paid by the awardee, and that old vehicles and equipment have been properly decommissioned.

VW funds may not be used to reimburse recipients for any expenses, including equipment purchased, incurred prior to execution of the award agreement and receipt of written KDHE authorization to proceed with the scope of work, as explained in Section 2.3 below. Applicants must plan accordingly for scheduling equipment purchases and installations.

### **1.2 Local Match Requirement**

A local match of at least 25% is required for all projects, and higher matches are required from nongovernment applicants in some project categories, as indicated in Section 3 below. Grants will be awarded based on the cost-effectiveness of emission benefits KDHE estimates will be achieved by the project. Applicants are strongly encouraged to provide a match

greater than the minimum required, to improve the competitiveness of their applications. While the VW settlement allows some applicants to request larger percentages on some types of projects, all applicants should be aware that this grant program receives many more applications than we have funding available to support. In particular, applications requesting more than 25% of the cost of a replacement vehicle are less likely to rank well in terms of cost effectiveness.

### **1.3 Records and Transparency**

Awardees will be required to maintain all financial and other project related documentation for a period of five years, consistent with the executed Award Agreement. Applicants should therefore include in the project narrative an explanation of the technology and/or procedures they will use to track and verify the use and movements of fleet vehicles. Additionally, records regarding the utilization and maintenance must be kept for the useful life of the vehicle.

Public financing requires transparency and documentation. Applicants must understand that their applications and documentation regarding reimbursed expenses and purchases made with public funds become public records. These records will be provided to the VW Mitigation Trust Fund trustee and are subject to public record requests and compliance review by KDHE as the oversight agency. KDHE maintains documentation regarding funded projects, including invoices submitted and approved for reimbursement, that may be obtained through a public records request or audits.

Owners of non-road equipment must certify that during the most recent two years, 75% or more of the engine operating hours were in the state. Award recipients will be required to maintain documentation demonstrating that the new engines or vehicles funded pursuant to this Program also meet this percentage requirement. Award recipients must maintain written records associated with the approved project for a minimum 5 years.

If KDHE determines that an awardee is not making satisfactory progress implementing the project, KDHE may notify the grant awardee that the grant is being revoked and reallocate the funds to another eligible project applicant. Satisfactory progress will be measured against the following milestones:

- Timely and accurate submittal of documentation that competitive purchasing requirements have been completed, and
- the vehicle repower has been scheduled, or the new vehicle has been ordered, within 90 days of execution by KDHE of a grant award agreement.

## **SECTION 2: APPLICATION**

Applications can be found on the [KDHE Volkswagen Settlement – Environmental Mitigation Trust](#) website and must be submitted via email to [kdhe.ksvwsettlement@ks.gov](mailto:kdhe.ksvwsettlement@ks.gov) no later than 5:00 p.m. May 11<sup>th</sup>, 2026. No faxed or hand-delivered submittals will be accepted. Late submittals will not be considered.

Applicants who do not receive email confirmation of receipt of their application within one business day should email [mary.vesel@ks.gov](mailto:mary.vesel@ks.gov) or email [kdhe.ksvwsettlement@ks.gov](mailto:kdhe.ksvwsettlement@ks.gov).

All applicants will be required to provide the following attachments with each application:

- Completed fleet data spreadsheets
- Signed applicant certification statement
- Purchase quotes for new engines and new vehicles
- For business and non-profit applications, proof of creditworthiness

Applicants may add other attachments as necessary or appropriate to respond to questions and information requested in the application. KDHE discourages submitting attachments that are not directly responsive to questions and information requested in the application.

Applicants are no longer required to provide engine certifications and salvage quotes. KDHE will verify that the new engine is certified as part of the project eligibility review. Grant recipients will be required to document the salvage value received, and this amount will be deducted from reimbursement payments.

These projects are not eligible for this RFP:

- Projects involving infrastructure to support light duty Zero Emission Vehicles, such as electric vehicle charging stations.
- Projects where multiple smaller vehicles are being replaced with a single larger vehicle.
- Projects that are not eligible under the nine allowable uses of the VW Mitigation Trust Fund but eligible under the US EPA's Diesel Emission Reduction Act (DERA) under the DERA Option

### **SECTION 3: ELIGIBILITY CATEGORIES**

#### **3.1 Class 4-8 School Bus, Shuttle Bus, or Public Transit Bus**

Eligible buses include 2009 engine model year or older class 4-8 school buses, shuttle buses, or public transit buses with a Gross Vehicle Weight Rating (GVWR) greater than 14,001 pounds, used for transporting people. To be eligible for funding, public transit systems must meet the Federal Transit Administration definition and clearly establish that they run in eligible counties at least 75% of the time.

School bus is defined as a Class 4-8 bus sold or introduced into interstate commerce for the purposes that include carrying students to and from school or related events. School buses eligible for mitigation funds include types A-D. School buses owned by public school districts fall under the "government owned" category. Since many school districts contract out student transportation, school buses which are privately owned, but are contracted with a public school district are eligible for funding at the "government owned" rate.

Eligible buses in this category must be scrapped if being replaced. If being repowered, replaced engines must be scrapped.

Eligible buses may be repowered with any new diesel or alternative fueled (e.g. CNG, propane, hybrid) or all-electric engine, or may be replaced with any new diesel or alternative fueled or all-electric vehicle, with the engine model year in which the repower or replacement occurs or one engine model year prior. Grant funds may not be used to pay for fuel, or any fueling or charging infrastructure.

Non-government owners of eligible buses in this category may request reimbursement from grant funds in the following amounts, not to exceed a per-vehicle maximum amount of \$110,000 for a school bus or \$100,000 for a shuttle bus.

- Up to 40% of the cost of a repower with a new diesel or alternative fueled engine, including the costs of installation of such engine.
- Up to 25% of the cost of a new diesel or alternative fueled vehicle.
- Up to 75% of the cost of a repower with a new all-electric engine, including the costs of installation of such engine.
- Up to 75% of the costs of a new all-electric vehicle

Government owners of eligible buses in this category may request reimbursement from grant funds up to 75% of the costs to repower with a new diesel, alternative fueled or all-electric engine, including costs of installation, or replace with a new diesel, alternative fueled or all-electric vehicle, not to exceed a per-vehicle maximum amount of \$110,000 for a school bus, \$100,000 for a shuttle bus, or \$525,000 for a public transit bus.

#### **3.2 Class 8 Local Freight Trucks and Port Drayage Trucks**

Eligible Heavy Duty trucks include 1992-2009 engine model year Class 8 with a Gross Vehicle Weight Rating (GVWR) greater than 33,000 pounds, used for port drayage and/or freight/cargo delivery, including waste haulers, dump/plow trucks and

concrete mixers. (See Figure 1 below). Owners of eligible drayage trucks in this category must provide documentation showing they are hauling cargo to and from Kansas ports and intermodal rail yards. Intermodal rail yards are facilities where cargo is transferred between trucks and trains.

Eligible trucks in this category must be scrapped if being replaced. If being repowered, replaced engines must be scrapped.

Eligible trucks in this category may be repowered with any new diesel or alternative fueled engine or all electric engine or may be replaced with any new diesel or alternative fueled or all-electric vehicle, with the engine model year in which the repower or replacement occurs or one engine model year prior. Grant funds may not be used to pay for fuel, or any fueling infrastructure. Grant funds can be used for charging infrastructure, when associate with new all-electric vehicles, not with repowers. Long haul trucks are not eligible for repower or replacement under this category.

Non-government owners of eligible trucks in this category may request reimbursement from grant funds in the following amounts, not to exceed a per-vehicle maximum amount of \$150,000:

- Up to 40% of the cost of a repower with a new diesel or alternative fueled engine, including the costs of installation of such engine
- Up to 25% of the costs of a new diesel or alternative fueled local freight truck or up to 50% of the cost of a new diesel or alternative fueled port drayage truck
- Up to 75% of the cost of a repower with a new all-electric engine, including the costs of installation of such engine and charging infrastructure associated with the new all-electric engine.
- Up to 75% of the costs of a new all-electric vehicle including charging infrastructure associated with the new all-electric vehicle.

Government owners of eligible trucks in this category may request reimbursement from grant funds up to 75% of the costs to repower with a new diesel, alternative fueled or all-electric engine, including costs of installation, or replace with a new diesel, alternative fueled or all-electric vehicle, not to exceed a per-vehicle maximum amount of \$150,000.

### **3.3 Class 4-7 Local Freight Trucks**

Eligible Medium and Heavy Duty Trucks include 1992-2009 engine model year Class 4-7 with a Gross Vehicle Weight Rating (GVWR) between 14,001 and 33,000 pounds, used to deliver cargo and freight (e.g., courier services, delivery trucks, box trucks moving freight, waste haulers, dump/plow trucks, bucket trucks, concrete mixers, as shown in Figure 1.).

Eligible trucks in this category must be scrapped if being replaced. If being repowered, replaced engines must be scrapped.

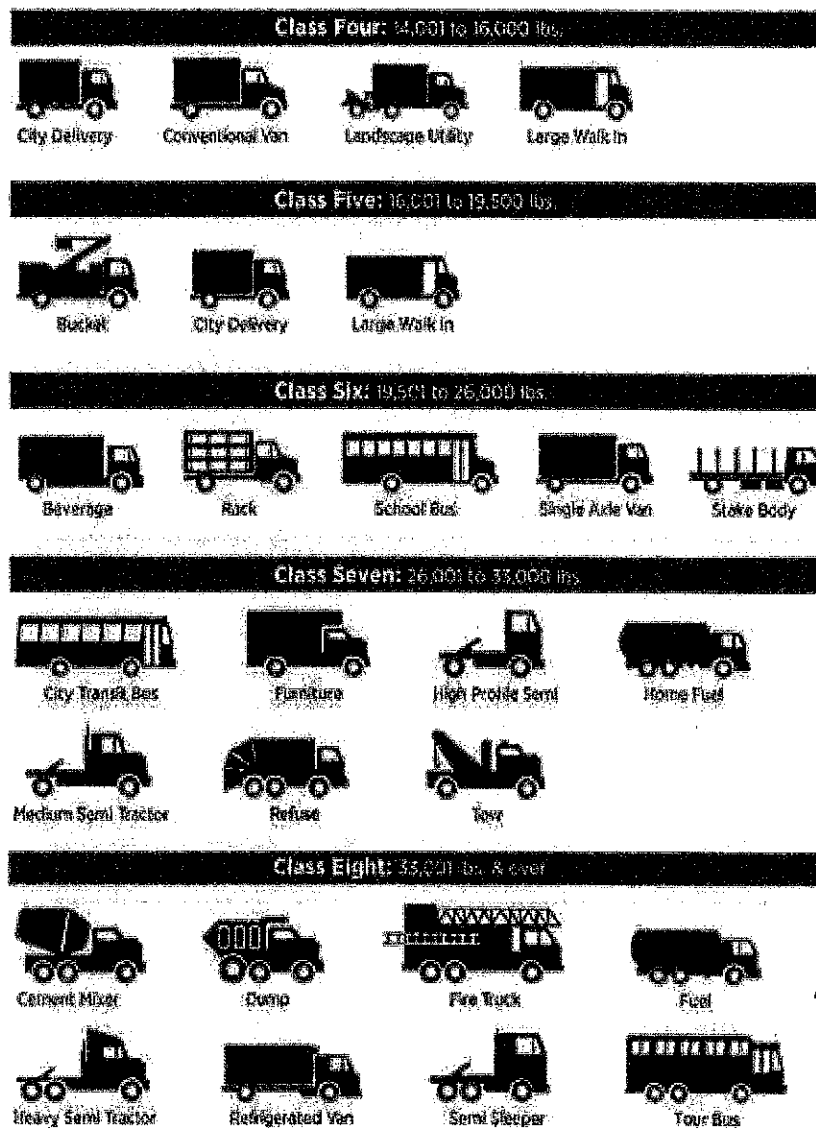
Eligible trucks in this category may be repowered with any new diesel or alternative fueled engine or all electric engine, or may be replaced with any new diesel or alternative fueled or all-electric vehicle, with the engine model year in which the repower or replacement occurs or one engine model year prior. Grant funds may not be used to pay for fuel, or any fueling or charging infrastructure.

Non-government owners of eligible trucks in this category may request reimbursement from grant funds in the following amounts, not to exceed a per-vehicle maximum amount of \$110,000:

- Up to 40% of the cost of a repower with a new diesel or alternative fueled engine, including the costs of installation of such engine
- Up to 25% of the cost of a new diesel or alternative fueled local freight truck
- Up to 75% of the cost of a repower with a new all-electric engine, including the costs of installation of such engine
- Up to 75% of the cost of a new all-electric vehicle, including the charging infrastructure associated with the new all-electric vehicle.

Government owners of eligible trucks in this category may request reimbursement from grant funds up to 75% of the costs to repower with a new diesel, alternative fueled or all-electric engine, including costs of installation, or replace with a new diesel, alternative fueled or all-electric vehicle, not to exceed a per-vehicle maximum amount of \$110,000.

Figure 1: Examples of local freight trucks eligible for repower or replacement (please note that school buses and transit buses are covered in section 3.1)



### 3.4 Freight Switcher Locomotives

Eligible freight switchers include pre-Tier 4 switcher locomotives that operate 1000 or more hours per year and move rail cars around a rail yard, as compared to a line-haul engine that moves freight long distances.

Eligible freight switchers must be scrapped if being replaced. If being repowered, replaced engines must be scrapped.

Eligible freight switchers may be repowered with any new diesel or alternative fueled or all-electric engine(s) (including generator sets), or may be replaced with any new diesel or alternative fueled or all-electric (including generator sets)

freight switcher, that is certified to meet the applicable U.S. EPA emissions standards as published in the CFR for the engine model year in which the repower or replacement occurs.

Non-government owners of eligible freight switchers may request reimbursement from grant funds in the following amounts:

- Up to 40% of the cost of a repower with a new diesel or alternative fueled engine(s) or generator sets, including the costs of installation of such engine(s).
- Up to 25% of the cost of a new diesel or alternative fueled freight switcher certified to meet EPA emission standards
- Up to 75% of the cost of a repower with a new all-electric engine(s), including the costs of installation and infrastructure of such engine(s).
- Up to 75% of the cost of a new all-electric freight switcher, including the charging infrastructure associated with the new all-electric freight switcher.

Government owners of eligible freight switchers may request reimbursement from grant funds up to 75% of the costs to repower with a new diesel, alternative fueled, or all-electric engine or generator set, including costs of installation, or replace with a new diesel, alternative fueled or all-electric freight switcher.

### **3.5 Airport Ground Support Equipment**

Eligible airport ground support equipment includes vehicles and equipment used at an airport to service aircraft between flights, such as aircraft tugs, baggage tugs, stair trucks, pushbacks, forklifts, man lifts and belt loaders. These include:

- Tier 0, Tier 1, or Tier 2 diesel powered airport ground support equipment; and
- Uncertified, or certified to 3 g/bhp-hr or higher emissions, spark ignition engine powered airport ground support equipment.

(Note that runway snow removal trucks, fuel trucks and semi tractors should apply under one of the local freight truck categories, where more fueling options are available.)

Eligible airport ground support equipment must be scrapped if being replaced. If being repowered, replaced engines must be scrapped.

Eligible airport ground support equipment may be repowered with an all-electric engine or may be replaced with the same airport ground support equipment in an all-electric form. Electric infrastructure necessary to charge the replacement equipment is also eligible for funding.

Government and non-government owners of eligible airport ground support equipment may request reimbursement from grant funds up to 75% of the costs of a repower with a new all-electric engine, including the costs of installation of such engine or replacement with a new all-electric airport ground support equipment.

### **3.6 Forklifts and Port Cargo Handling Equipment**

"Forklift" shall mean non-road equipment used to lift and move materials short distances; generally includes tines to lift objects. Eligible types of forklifts include reach stackers, side loaders, and top loaders. Eligible port cargo handling equipment includes rubber-tired gantry cranes, straddle carriers, shuttle carriers, and terminal tractors, including yard hostlers and yard tractors, that operate outdoors within Kansas ports and distribution centers. Eligible forklifts include forklifts with greater than 8000 pounds lift capacity. Owners of eligible port cargo handling equipment in this category must provide documentation showing they operate within Kansas ports and distribution centers.

Eligible forklifts and port cargo handling equipment must be scrapped if being replaced.

Eligible forklifts and port cargo handling equipment may be repowered with an all-electric engine, or may be replaced with the same equipment in an all-electric form. The eligible cost of electric port handling equipment includes infrastructure needed to support the equipment.

Government and non-government owners of forklifts and port cargo handling equipment may request reimbursement from grant funds up to 75% of the cost of a repower with a new all-electric engine, including the costs of installation of such engine or replace with a new all-electric forklift or port cargo handling equipment.

#### **SECTION 4: DEMONSTRATING ELIGIBILITY**

##### **4.1 Eligibility of New Bus and Truck Purchases**

Used vehicle purchases are not eligible for funding under this program. A purchased vehicle must be a new vehicle purchased from an original equipment manufacturer (OEM) or automobile retailer. The purchased vehicle must have an odometer reading of 500 miles or less at the time of purchase, not including mileage incurred in delivery from the manufacturer or in transporting the vehicle between dealers for sale.

To be eligible for the Clean Vehicle Program, new vehicle engines must be certified by US EPA or the California Air Resources Board as agreed to by US EPA if the vehicle is fueled by new clean diesel or alternative fuels like compressed natural gas, propane, or diesel-electric hybrids. (This certification requirement does not apply to all-electric vehicles powered exclusively by electricity provided by a battery, fuel cell, or the grid.)

Applicants are required to include a price quote on letterhead from the Original Equipment Manufacturer or automobile retailer that the applicant proposes to purchase the new vehicle from. The quote must be dated within six months immediately preceding the date the application is submitted.

The project scope description narrative (text box sections) of the application should explain:

- How, when, and where the new vehicle(s) will be used and registered.
- Technology and/or procedures the applicant will use to ensure that at least 75% of the annual miles the new vehicle(s) will be driven will be within the state of Kansas.
- Technology and/or procedures the applicant will use to track and ensure that the new vehicle(s) will be maintained in accordance with manufacturer specifications.
- For alternative-fueled and electric vehicles, the availability of the alternative fuel or electric charging in the areas where the vehicle will be most frequently driven. List the proposed primary fueling locations for each vehicle.
- A demonstration that the applicant has financial resources to cover the cost of the vehicle purchase(s), and explanation of the funding source that will cover the cost of project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or a letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contract is executed.

##### **4.2 Eligibility of Repowering Bus and Truck Engines to run on Alternative Fuels**

For purposes of the Clean Vehicles Program, repower means to replace an existing engine with a newer, cleaner engine or power source that is certified by US EPA and, if applicable, by the California Air Resources Board, to meet a more stringent set of engine emission standards. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with a clean diesel or a clean alternative fuel (such as compressed natural gas, propane, or diesel-electric hybrid), diesel engine replacement with an electric power source (e.g., grid, battery), or diesel engine replacement with a fuel cell.

To be eligible for the Clean Vehicles Program, and to ensure that proposed conversions of traditional diesel engines to alternative fuels do not violate federal anti-tampering laws under the Clean Air Act, the grant application must specify a proposed conversion system that has been certified by either US EPA or the California Air Resources Board or has met the US EPA compliance demonstration requirements for intermediate use vehicles. Be sure to include the appropriate US EPA identification or CARB executive order number for the certified conversion system when entering text into the "New Use" text box of the application.

If the repower is to an all-electric engine or fuel cell with zero emissions, it is not necessary to document the conversion process.

Conversion systems modify vehicles and engines so that they can run on different fuels than the ones for which they were originally designed. Any change to the manufacturer's original vehicle or engine design is a potential violation of the Clean Air Act. US EPA has established protocols through which conversion manufacturers can demonstrate that emission controls in the converted vehicle or engine will continue to function properly, and emissions will not increase as a result of conversion. Conversion systems must be compliant with the Environmental Protection Agency's Final Rule 40 CFR 85 and 86, "Clean Alternative Fuel Vehicle and Engine Conversions" promulgated April 8, 2011:

<https://www.epa.gov/regulations-emissions-vehicles-and-engines/final-rule-clean-alternative-fuel-vehicle-and-engine>

See US EPA's Information for Consumers about Alternative Fuel Conversions:

<https://www.epa.gov/vehicle-and-engine-certification/information-consumers-about-alternative-fuel-conversions>

and

<https://www.epa.gov/vehicle-and-engine-certification/lists-epa-compliant-alternative-fuel-conversion-systems>

KDHE also highly recommends that prospective grant applicants interested in vehicle conversions consult the US Department of Energy's Alternative Fuel Data Center pages on CNG and propane conversions, at

[https://www.afdc.energy.gov/vehicles/natural\\_gas\\_conversions.html](https://www.afdc.energy.gov/vehicles/natural_gas_conversions.html)

and

<https://www.epa.gov/vehicle-and-engine-certification/lists-epa-compliant-alternative-fuel-conversion-systems>

Note that this grant program will only fund conversion systems for new or intermediate-age vehicles or engines. Conversion systems will not be considered for outside useful age vehicles and engines. Eligible trucks must be of model year 2002-2009, and eligible school, shuttle and transit buses must be of model year 2009 or older.

For conversions of new vehicle engines, select the "Certified conversion systems for vehicles or engines" Excel Spreadsheet. On the "Heavy Duty Engines" tab, find the appropriate "Conversion Exhaust Certificate Number" and enter this into the grant application's Fleet Data Reporting Spreadsheet.

For conversions of used (intermediate-age) vehicle engines, select the "Conversion systems for intermediate-age vehicles or engines" Excel Spreadsheet. On the "Light-Duty and HD IAV" tab, find the appropriate "Conversion Test Group" number, and include this number when entering text into the "New Use" text box of the application.

For alternative fuel retrofit (conversion) systems approved by the California Air Resources Board, see the following website:

<https://www.arb.ca.gov/msprog/aftermkt/altfuel/altfuel.htm>

Select the PDF file for "Conversion Systems for 1994 and newer model year vehicles," and find the appropriate Executive Order (EO) number. Enter this number in the "New Use" text box of the grant application.

Conversion systems that may have been submitted to US EPA or the California Air Resources Board but not yet approved are not eligible for funding from this grant program.

Alternative fuel conversions of traditional vehicles must be performed by an after-market conversion facility or someone appropriately trained to ensure the conversion meets the terms of the US EPA or California Air Resources Board certification. Grant applicants should consult with the prospective vendor for conversion projects to ensure that they are selecting the appropriate conversion certification to enter into the grant application. KDHE is not able to provide information about certifications that were awarded by either US EPA or the California Air Resources Board.

Include a price quote on letterhead from the aftermarket conversion facility, Original Equipment Manufacturer or automobile retailer that the applicant has selected to perform the conversion. The quote must be dated within six months immediately preceding the date the application is submitted. List the selected aftermarket conversion facility, OEM or retailer as the Vendor in the application form. Ask the vendor to clearly indicate on the quote the cost of the conversion parts and equipment, separate from labor/installation costs.

The project scope description narrative (text boxes) sections of the Clean Vehicles Program application should explain:

- The identifying number of US EPA- or CARB- certified conversion system that will be used
- How, when, and where the converted vehicle(s) will be used and registered.
- How the applicant will ensure that the selected vendor is qualified to perform the proposed conversion in keeping with US EPA or California ARB certification.
- Technology and/or procedures the applicant will use to ensure at least 75% of the annual miles the converted vehicle(s) will be driven will be within the state of Kansas.
- Technology and/or procedures the applicant will use to ensure that the converted vehicle(s) will be maintained in accordance with manufacturer and conversion specifications.
- The availability of the alternative fuel in the areas where the converted vehicle(s) will be most frequently driven. List the proposed primary fueling location for each vehicle in the application form.
- In the case of a diesel-electric hybrid vehicle with a motor that can run on both diesel and fuel and an electric power source, explain the likely percentage of time the vehicle will be driven using diesel fuel and using electricity under normal operation conditions. Explain how the vehicle shifts between fuels. What instructions will be given to drivers of the vehicle about how to operate the diesel-electric hybrid function.
- A demonstration that the applicant has the financial resources to cover the cost of the vehicle conversion(s), and explanation of the funding source that will cover the cost of project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contract is executed.

#### **4.3 Eligibility of Repowering Bus and Truck Engines to New Clean Diesel Technology**

For purposes of the Clean Vehicles Program, repower means to replace an existing engine with a newer, cleaner engine or power source that is certified by US EPA and, if applicable, by the California Air Resources Board, to meet a more stringent set of engine emission standards. Repower includes, but is not limited to, diesel engine replacement with an engine certified for use with a clean diesel or a clean alternative fuel (such as compressed natural gas, propane, or diesel-electric hybrid), diesel engine replacement with an electric power source (e.g., grid, battery), or diesel engine replacement with a fuel cell.

To be eligible for the Clean Vehicles Program, new engines must be certified by US EPA or the California Air Resources Board as agreed to by US EPA if the vehicle is fueled by new clean diesel or diesel-electric hybrids. (This certification

requirement does not apply to all-electric vehicles powered exclusively by electricity provided by a battery, fuel cell, or the grid. Certification requirements differ for conversions to other alternative fuels.

For applications proposing new diesel technology repowering, applicants are requested to attach a Certificate of Conformity from US EPA or the California Air Resources Board.

Applicants are required to include a price quote on letterhead from the Original Equipment Manufacturer or automobile retailer that the applicant proposes to purchase the repowered engine from. The quote must be dated within six months immediately preceding the date the application is submitted. Note that this grant program will only fund repowers for new or intermediate-age vehicles or engines. Repowers will not be considered for outside useful age vehicles and engines. Eligible trucks must be of model year 2002-2009, and eligible school, shuttle and transit buses must be of model year 2009 or older.

The project scope description narrative sections of the application should explain:

- How, when and where the repowered vehicle(s) will be used and registered.
- Technology and/or procedures the applicant will use to and ensure that at least 75% of the annual miles the new vehicle(s) will be driven within the state of Kansas.
- Technology and/or procedures the applicant will use to ensure that the repowered vehicle(s) will be maintained in accordance with manufacturer specifications.
- For diesel-electric hybrid repowers, the availability of electric charging in the areas where vehicle will be most frequently driven.
- A demonstration that the applicant has the financial resources to cover the cost of the vehicle repower(s), and explanation of the funding source that will cover the cost of the project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contract is executed.

#### **4.4 Eligibility of Switcher Locomotive Replacements**

For purposes of the Clean Vehicles Program, a freight switcher is defined as a locomotive that moves rail cars around a rail yard, as compared to a line-haul engine that moves freight long distances. Eligible freight switchers include pre-Tier 4 switcher locomotives that operate 1000 or more hours per year. Eligible freight switchers may be replaced with any new diesel or alternative fueled or all-electric (including Generator Sets) freight switcher that is certified to meet the applicable EPA emissions standards as published in the CFR for the engine model year in which the replacement occurs. Electric rail car movers other than locomotives are regarded by US EPA as off-road equipment, and are not eligible for funding under the switcher locomotive category.

Applicants for freight switcher replacements other than all-electric locomotives must upload a copy of the Certificate of Conformity from US EPA demonstrating that the new locomotive engine meets the applicable standards. To obtain this document, request it from your vendor or email US EPA at [Imports@epa.gov](mailto:Imports@epa.gov) and supply the following information:

- Model year of engine (nonroad diesel or alternative fuel such as CNG, propane, or diesel-electric hybrid)
- Engine family number (11 characters using both numbers and letters – printed on the emission label, which is location on the engine or in the engine compartment)
- Name of switcher locomotive owner
- Contact information (address, email address, or fax number where you want US EPA to send the Certificate of Conformity.)

For the Clean Vehicles Program application, include a price quote on letterhead from the Original Equipment Manufacturer that the applicant proposes to purchase the new locomotive from. The quote must be dated within six months immediately preceding the date the application is submitted.

The project scope description narrative (text box sections) of the application should explain:

- How, when and where the replacement locomotive(s) will be used.
- Technology and/or procedures the applicant will use to ensure that the replacement locomotive(s) will be operated within Kansas.
- Technology and/or procedures the applicant will use to track and ensure that the replacement locomotive(s) will be maintained in accordance with manufacture specifications.
- For alternative-fueled and electric locomotives, the availability of the alternative fuel or electric charging in the areas where the locomotive will most frequently operate.
- A demonstration that the applicant has the financial resources to cover the cost of the locomotive replacement(s), and explanation of the funding source that will cover the cost of the project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contract is executed.

#### **4.5 Eligibility of Switcher Locomotive Repowers**

For purposes of the Clean Vehicles Program, repower means to replace an existing switcher locomotive engine with a newer, cleaner engine or power source that is certified by US EPA to meet a more stringent set of engine emission standards. For purposes of the Clean Vehicles, a freight switcher is defined as a locomotive that moves rail cars around a rail yard, as compared to a linehaul engine that moves freight long distances.

Eligible freight switchers include pre-Tier 4 switcher locomotives that operate 1000 or more hours per year. Eligible diesel freight switchers may be repowered with an engine certified for use with new diesel or a clean alternative fuel (such as CNG or propane), diesel engine replacement with an electric power source (e.g. grid, battery), diesel engine replacement with a fuel cell, or diesel engine replacement with an electric generator(s) (genset).

Any new diesel or alternative fueled freight switcher must be certified to meet the applicable EPA emissions standards as published in the CFR for the engine model year in which the repower occurs. All-electric and fuel cell repowers do not require EPA certification. (Electric rail car movers other than locomotives are regarded by US EPA as off-road equipment. These are not eligible for funding under the switcher locomotive category.)

Applicants for freight switcher repowers other than to all-electric locomotive engines must upload a copy of the Certificate of Conformity from US EPA demonstrating that the new locomotive engine meets the applicable standards. To obtain this document, email US EPA at [Imports@epa.gov](mailto:Imports@epa.gov) and supply the following information:

- Model year of engine (nonroad diesel or alternative fuel such as CNG, propane, or diesel-electric hybrid)
- Engine family number (11 characters using both numbers and letters – printed on the emission label, which is location on the engine or in the engine compartment)
- Name of switcher locomotive owner
- Contact information (address, email address, or fax number where you want US EPA to send the Certificate of Conformity.)

For the Clean Vehicles Program application, include a price quote or cost estimate on letterhead from the Original Equipment Manufacturer that the applicant proposes to purchase the new engine from. The quote or cost estimate must be dated within six months immediately preceding the date the application is submitted.

The project scope description narrative (text box sections) of the application should explain:

- How, when and where the replacement locomotive(s) will be used.
- Technology and/or procedures the applicant will use to ensure that the replacement locomotive(s) will be operated within Kansas.
- Technology and/or procedures the applicant will use to track and ensure that the replacement locomotive(s) will be maintained in accordance with manufacture specifications.
- For alternative-fueled and electric locomotives, the availability of the alternative fuel or electric charging in the areas where the locomotive will most frequently operate.
- A demonstration that the applicant has the financial resources to cover the cost of the locomotive replacement(s), and explanation of the funding source that will cover the cost of the project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contract is executed.

Note for locomotive repowers: Depending on the availability of certified engine rebuild kits, regulations may require that locomotive engines be upgraded to a lower emission level at the time of rebuild. Consequently, a locomotive repower project may overlap with an operator's requirement to install a certified engine upgrade kit at the time of rebuild. In this case, the project would be considered a mandated measure, and would not be fundable under the KDHE program. Before applying for the grant, the applicant should confirm that locomotive engine replacement project is not simply going to achieve the same benefit already required with a certified engine upgrade kit. Identify when the original locomotive was rebuilt last, when it is due for rebuild next, and if a certified rebuild kit is available.

#### **4.6 Eligibility of Airport Ground Support Equipment**

Include a price quote on letterhead from the Original Equipment Manufacturer or retailer that the applicant proposes to purchase the new equipment from. The quote must be dated within six months immediately preceding the date the application is submitted.

The project scope description narrative (text box sections) of the application should explain:

- How, when and where the new equipment will be used and registered.
- Technology and/or procedures the applicant will use to and ensure that at least 75% of the annual miles the new vehicle(s) will be driven within priority Kansas counties.
- Technology and/or procedures the applicant will use to ensure that the new equipment will be maintained in accordance with manufacturer specifications.
- The availability of electric charging in the areas where vehicle will be most frequently operated. List the proposed primary charging location for each piece of equipment. If charging infrastructure is not yet available, provide an explanation of who will provide the infrastructure and when it is expected to become available.
- A demonstration that the applicant has the financial resources to cover the cost of the equipment purchase, and explanation of the funding source that will cover the cost of the project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contract is executed.

#### **4.7 Eligibility of Forklifts and Port Cargo Handling Equipment**

Include a price quote on letterhead from the Original Equipment Manufacturer or retailer that the applicant proposes to purchase the new equipment from. The quote must be dated within six months immediately preceding the date the application is submitted.

The project scope description narrative (text box sections) of the application should explain:

- How, when and where the new equipment will be used, including the identification of ports, intermodal yards and/or distribution centers where the equipment will operate.
- Technology and/or procedures the applicant will use to and ensure that at least 75% of the annual miles the new vehicle(s) will be driven within priority Kansas counties.
- Technology and/or procedures the applicant will use to ensure that the new equipment will be maintained in accordance with manufacturer specifications.
- The availability of electric charging in the areas where vehicle will be most frequently operated. List the proposed primary charging location for each piece of equipment. If charging infrastructure is not yet available, provide an explanation of who will provide the infrastructure and when it is expected to become available.
- A demonstration that the applicant has the financial resources to cover the cost of the equipment purchase and explanation of the funding source that will cover the cost of the project expenditures until reimbursement from the grant is approved. Private sector applicants must provide documentation such as a credit rating or letter of credit to make this demonstration.
- An estimate of how much time will be needed to complete the project after the grant contract is executed.

#### **SECTION 5: GENERAL REQUIREMENTS FOR ALL APPLICANTS**

The following are general requirements that applicants will be expected to comply with, certify, and describe in the project scope description narrative (text box sections) and/or upload additional documentation as attachments to the online application form:

- 1. Applicant Certification Statement:** The language pertaining to pending lawsuits in the Applicant Certification Statement has been modified to reduce the reporting burden on applicants. Among other things, the certification includes a statement that the applicant understands that they may not receive a grant if they are not in compliance with KDHE rules.
- 2. Minimum and Maximum Grant Awards:** To be eligible for funding, the grant amount requested per applicant must be no less than \$50,000 and no more than \$2,000,000. Also, in addition to the percentage of cost, applicants must comply with the per vehicle maximum amounts for certain vehicles: school buses (\$110,000), shuttle buses (\$100,000), public transit buses (\$525,000), Class 8 trucks (\$150,000) and Class 4 to 7 trucks (\$110,000).
- 3. Mileage/Hours of Operation:** To be eligible for funding, all on-road vehicles being replaced or repowered must have logged at least 5000 miles in prior years. Also, all off-road vehicles being replaced or repowered (including, but not limited to, switcher locomotives, forklifts, and airport ground support equipment) must have logged at least 1000 hours of operation.
- 4. Vehicle Registration:** Existing on-road vehicles must be registered in Kansas for operation on public highways. This includes vehicles registered in Kansas under the Bureau of Motor Vehicles' International Registration Plan (IRP).
- 5. Leased Vehicles:** Leased vehicles are not eligible for funding under this program.
- 6. Engine/Vehicle Salvage:** All engines removed from vehicles during repower activities and all existing vehicles replaced with new vehicles must be salvaged within 90 days of taking delivery of the repowered or new vehicle. The salvage value of the engines and replaced vehicles will be deducted from the grant monies if the grant is awarded.
- 7. Financial Resources:** Applications must demonstrate that the applicant has the financial resources to cover the cost of the vehicle purchases and engine repowers included in the application, and explain the funding source that will cover the cost of project expenditures until reimbursement from the grant is approved.

**8. Current Use:** Applications must describe how, when and where the vehicles or engines are currently used in normal duty service, including any seasonal changes in operation or periods when not in use. If the project includes drayage trucks, identify the ports and intermodal facilities the drayage trucks haul cargo to and from.

**9. New Use:** Applications must describe any differences between how the replacement or repowered vehicles will be used, compared to how the current vehicles are used.

**10. Travel Limitation:** Applications must describe the technology or procedure the applicant will use to track and ensure that the new vehicles or repowered engines will be operated within the state of Kansas the required 75% percent of the time.

**11. Maintenance:** Applications must describe the technology or procedures the applicant will use to track and ensure that the new vehicles or repowered engines will be fueled and maintained in accordance with manufacturer specifications.

**12. Alternative Fuel Availability:** Applications must explain the availability of electric charging stations or the alternative fuel in the areas where the vehicle will be most frequently driven or operated. If the applicant does not own a charging or fueling station on site, give the location of the publicly available charging or fueling station most likely to be used, or document that the fleet has been granted access to some other charging or fueling station.

**13. Ineligible Costs:** The costs of preparing and submitting applications in response to this RFA are solely the responsibility of the applicant. The program shall not reimburse or contribute, in any way, to the cost of the preparation and submittal of the proposal or application. Other ineligible costs include but are not limited to:

- Operating expenses and fuel costs, including incremental costs of fuel;
- Any project required to be undertaken by any state or federal law or other legally binding agreement;
- Work done or purchases made prior to official notice of Clean Vehicles Program project authorization;
- Costs incurred for work or purchases not included in the approved project scope;
- Installation costs incurred from in-kind services by an unauthorized vendor; and
- Administrative costs.

Due to the competitiveness of the program, not all eligible projects will be approved for funding. Project selection for the Program will be accomplished by a committee comprised of staff from KDHE with final project selections approved by the KDHE BOA Director. Decisions of the Director are final.

The committee may also consider the amount of funding an applicant has already received. The committee will consider an applicant's past performance on projects funded by KDHE. Grant recipients who did not make satisfactory progress implementing their projects will not receive consideration.

Appendix A: Table Summarizing Kansas Clean Vehicles Program Project Information

	Transit and Shuttle Bus Projects	Locomotive Projects	Airport Ground Support, Cargo Handling and Forklift Equipment
<b>Eligible Applicants</b>	<ul style="list-style-type: none"> <li>• Government and Private Entity may apply for an award</li> <li>• Previous applicants with incomplete projects or missing required documentation may be considered ineligible for additional awards</li> </ul>	<ul style="list-style-type: none"> <li>• Government and Private Entity may apply for an award</li> <li>• Previous applicants with incomplete projects or missing required documentation may be considered ineligible for additional awards</li> </ul>	<ul style="list-style-type: none"> <li>• Government and Private Entity may apply for an award</li> <li>• Previous applicants with incomplete projects or missing required documentation may be considered ineligible for additional awards</li> </ul>
<b>Requirements (old vehicle or engine)</b>	<ul style="list-style-type: none"> <li>• Vehicle is a class 4-8 transit or shuttle bus</li> <li>• Vehicle has a Gross Vehicle Weight Rating (GVWR) of more than 14,000 pounds</li> <li>• Vehicle spends a minimum of 50% of its operating time in Kansas</li> <li>• Vehicle is powered by a diesel engine of model year 2009 or older</li> <li>• Vehicle is licensed and in current use to transport people</li> <li>• School buses (buses used to transport students to and from school-related activities) are not eligible under this project type.</li> <li>• Cost effectiveness of project is \$50 per pound or less lifetime NOX reduction</li> </ul>	<ul style="list-style-type: none"> <li>• Locomotive is used to move rail cars around a rail yard</li> <li>• Locomotive is powered by a pre-Tier 4 engine</li> <li>• Locomotive operates a minimum of 1,000 hours per year</li> <li>• Locomotive operates a minimum of 50% of its time within Kansas</li> <li>• Line-haul locomotives used for hauling freight or passengers are not eligible under this project type.</li> <li>• Cost effectiveness of project is \$5 per pound or less lifetime NOX reduction</li> </ul>	<ul style="list-style-type: none"> <li>• All equipment types must spend a minimum of 50% operating time in Kansas</li> <li>• <b>Airport Ground Support Equipment</b> <ul style="list-style-type: none"> <li>o Must be Tier 0, Tier 1, or Tier 2 if powered by diesel</li> <li>o Spark-ignition engines must be Uncertified or certified to 3g/bhphr or higher</li> <li>o Must be used at an airport to service aircraft between flights</li> <li>o Cost effectiveness of project is \$20 per pound or less lifetime NOX reduction</li> </ul> </li> <li>• <b>Forklift Equipment</b> <ul style="list-style-type: none"> <li>o Used to lift and move materials short distances; generally, includes tines to lift objects. Eligible types of forklifts include reach stackers, side loader, and top loaders</li> <li>o Must have a lift capacity greater than 8,000 pounds</li> <li>o Cost effectiveness of project is \$20 per pound or less lifetime NOX reduction</li> </ul> </li> <li>• <b>Cargo Handling Equipment</b> <ul style="list-style-type: none"> <li>o Includes rubber-tired gantry cranes, straddle carriers, shuttle carriers and terminal tractors that operate at ports (including truck and rail ports)</li> <li>o Cost effectiveness of project is \$20 per pound or less lifetime NOX reduction</li> </ul> </li> </ul>

<b>Eligible Replacement (new engine/equipment)</b>	<ul style="list-style-type: none"> <li>• New equipment must be a similar size or smaller, and be used for a similar purpose as the equipment it replaces</li> </ul>	<ul style="list-style-type: none"> <li>• New equipment must be a similar size or smaller, and be used for a similar purpose as the equipment it replaces</li> <li>• New locomotive engine must be certified for the applicable EPA emissions standards as published in the Code of Federal Regulations for the year in which the project occurs</li> </ul>	<ul style="list-style-type: none"> <li>• New equipment must be a similar size or smaller, and be used for a similar purpose as the equipment it replaces</li> </ul>
<b>Fuel for Replacement Engine or Equipment</b>	<ul style="list-style-type: none"> <li>• New replacement vehicles or engines must also be powered by a Diesel, Biodiesel, Compressed Natural Gas (CNG), Liquid Natural Gas (LNG), or Diesel Electric Hybrid Engine, or All-Electric motor</li> </ul>	<ul style="list-style-type: none"> <li>• New replacement vehicles or engines must also be powered by a Diesel, Biodiesel, Compressed Natural Gas (CNG), Liquid Natural Gas (LNG), or Diesel Electric Hybrid Engine, or All-Electric motor</li> </ul>	<ul style="list-style-type: none"> <li>• Projects of this type must replace eligible equipment with all-electric equipment of similar size and use.</li> </ul>
<b>Cost Share</b>	<ul style="list-style-type: none"> <li>• Government-Owned <ul style="list-style-type: none"> <li>o Repower: 75%</li> <li>o Replacement: 50%</li> <li>o All-electric motor: 50% of the cost</li> </ul> </li> <li>• Nongovernment-Owned <ul style="list-style-type: none"> <li>o Repower: 40%</li> <li>o Replacement: 25%</li> <li>o All-electric motor: 50% of the cost</li> </ul> </li> <li>• Maximum amount of fund request per applicant is \$1 million.</li> </ul>	<ul style="list-style-type: none"> <li>• Government-Owned <ul style="list-style-type: none"> <li>o Repower: 75%</li> <li>o Replacement: 50%</li> <li>o All-electric motor: 50% of the cost</li> </ul> </li> <li>• Nongovernment-Owned <ul style="list-style-type: none"> <li>o Repower: 40%</li> <li>o Replacement: 25%</li> <li>o All-electric motor: 50% of the cost</li> </ul> </li> <li>• Maximum amount of fund request per applicant is \$1 million.</li> </ul>	<ul style="list-style-type: none"> <li>• Government-Owned <ul style="list-style-type: none"> <li>o Repower or replacement: 75%</li> </ul> </li> <li>• Nongovernment-Owned <ul style="list-style-type: none"> <li>o Repower or replacement: 50%</li> </ul> </li> <li>• Maximum amount of fund request per applicant is \$1 million.</li> </ul>

<b>Disabling</b>	<ul style="list-style-type: none"> <li>• For repower projects, applicants must disable the old engine they are replacing through the program</li> <li>• For replacement projects, applicants must disable the engine and the chassis of the vehicle they are replacing through the program</li> </ul>	<ul style="list-style-type: none"> <li>• For repower projects, applicants must disable the old engine they are replacing through the program</li> <li>• For replacement projects, applicants must disable the engine and the chassis of the vehicle they are replacing through the program</li> </ul>	<ul style="list-style-type: none"> <li>• For repower projects, applicants must disable the old engine they are replacing through the program</li> <li>• For replacement projects, applicants must disable the engine and the chassis of the vehicle they are replacing through the program</li> </ul>
<b>Project completion</b>	<ul style="list-style-type: none"> <li>• Projects are complete when: <ul style="list-style-type: none"> <li>o All required documents submitted</li> <li>o Proof of payments received</li> <li>o Old vehicle disabled</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Projects are complete when: <ul style="list-style-type: none"> <li>o All required documents submitted</li> <li>o Proof of payments received</li> <li>o Old vehicle disabled</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Projects are complete when: <ul style="list-style-type: none"> <li>o All required documents submitted</li> <li>o Proof of payments received</li> <li>o Old engine disabled</li> </ul> </li> </ul>