



AGENCY: INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT (IDEM)

TITLE: 2025 DIESELWISE INDIANA EMISSION REDUCTION PROGRAM

ACTION: REQUEST FOR PROPOSALS FOR ONROAD AND NONROAD CLEAN DIESEL PROJECTS

DATES: The closing date for receipt of proposals is **February 28, 2025, 5:00 p.m. ET**. Indiana will only accept electronic grant proposals in response to this RFP. Electronic grant proposals must be submitted in Microsoft Word or PDF format, along with the DieselWise Indiana Fleet Spreadsheet in Microsoft Excel or similar spreadsheet format to Mr. Shawn M. Seals at SSeals@idem.IN.gov. Electronic submissions will be considered timely upon receipt, not transmission. An e-mail response confirming receipt of electronic proposals will be provided on or before the closing date when possible. Facsimile and late submissions will not be accepted.

SUMMARY: This action announces funding availability for projects designed to significantly reduce diesel emissions from onroad and nonroad vehicles and equipment across Indiana. Onroad and nonroad vehicles and equipment include vehicles, engines, and equipment used for construction, agriculture, cargo handling (port, airport, and others), rail transportation, marine transportation as well as others.

FUNDING and AWARDS: The total estimated funding for this competitive grant opportunity is approximately \$750,000. DieselWise Indiana anticipates awarding cooperative agreements from this announcement ranging from \$50,000 to \$250,000, subject to availability of funds and the quality of proposals received. Additional funds may be available in the near future. Project proposals submitted under this grant opportunity may be awarded from these additional funds.

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Section I – Grant Opportunity Description

A. Background

IDEM's DieselWise Indiana program (DieselWise Indiana) is announcing grant opportunities for clean air projects that will significantly reduce diesel emissions from existing nonroad vehicles and equipment across Indiana. Approximately \$750,000 is being made available through the U.S. EPA Diesel Emission Reduction Act (DERA) program. As a member of the Midwest Clean Diesel Initiative (MCDI), DieselWise Indiana has implemented clean diesel projects on over 3,900 vehicles across Indiana with a total investment of over \$25 million. Funding for this DieselWise Indiana program will be in the form of cooperative agreements and must be used to achieve significant reductions in diesel emissions in terms of: (1) tons of pollution produced; and (2) diesel emissions exposure, particularly from fleets operating in areas designated by the United States Environmental Protection Agency (U.S. EPA) as air quality nonattainment or maintenance areas.

IDEM, through its commissioner, is authorized to conduct clean diesel projects through the award of grant funds by [Indiana Code 13-17-3-9](#).

B. Scope of Work

Approximately \$750,000 will be awarded to eligible projects that include onroad and nonroad diesel-powered vehicles and equipment in the State of Indiana. All vehicle and/or engine replacements funded under this program must be certified or verified by the California Air Resources Board (CARB) and/or U.S. EPA. Cost share requirements for all projects funded through this DieselWise Indiana program can be found in Table 5 below.

1. Diesel Emissions Reduction Project Proposal Areas

Certified Vehicle and Equipment Replacements: Nonroad and highway diesel vehicles and equipment, locomotives, and marine vessels can be replaced with newer, cleaner vehicles and equipment.

Eligible replacement highway vehicles include those certified by U.S. EPA and/or CARB to run on diesel or clean alternative fuel engines (including gasoline), electric generators (gensets), hybrid engines, and zero tailpipe emissions power sources (grid, battery, or fuel cell).

Eligible replacement of nonroad equipment, locomotives, and marine vessels include those powered by U.S. EPA and/or CARB certified diesel or clean alternative fuel engines (including gasoline), electric generators (gensets), hybrid engines; nonroad equipment, locomotives, and marine vessels powered by zero tailpipe emissions power sources (grid, battery, or fuel cell) do not require U.S. EPA or CARB certification.

Certified Engine Replacements: Nonroad and highway diesel vehicles and equipment, locomotives, and marine vessels can have their engines replaced with newer, cleaner engines.

Eligible replacement highway engines include those certified by U.S. EPA and/or CARB for use with diesel or clean alternative fuel (including gasoline), electric generators (gensets), and hybrid engines, and zero tailpipe emissions power sources (grid, battery, or fuel cell).

Eligible replacement nonroad, locomotive, and marine engines include those powered by U.S. EPA and/or CARB certified diesel or clean alternative fuel engines (including gasoline), electric generators (gensets), and

hybrid engines; Nonroad equipment, locomotives, and marine vessel engine replacement with zero tailpipe emissions power sources (grid, battery, or fuel cell) do not require U.S. EPA or CARB certification.

Certified Locomotive and Marine Engine Remanufacture Systems: Generally, a certified remanufacture system is applied during an engine rebuild and involves the removal of parts on an engine and replacement with parts that cause the engine to represent an engine configuration which is cleaner than the original engine. Some locomotives and marine engines can be upgraded through the application of a certified remanufacture system (i.e., kit).

Engine remanufacture systems may not be available for all engines, and not all remanufacture systems may achieve an emissions benefit. Proposals for U.S. EPA certified remanufacture systems should include a discussion of the availability of engine remanufacture systems and indicate the pre- and post-project emission standard levels of the engines to demonstrate that the upgrade will result in a PM and/or NOx emissions benefit.

Verified Idle Reduction Technologies: Diesel engine retrofits are one of the most cost-effective solutions for reducing diesel engine emissions.

Retrofits include engine exhaust after-treatment technologies, such as diesel oxidation catalysts (DOCs), diesel particulate filters (DPFs), closed crankcase ventilation (CCV) filtration systems, and selective catalytic reduction systems (SCRs).

Manufacturer engine upgrades which achieve specific levels of emissions reductions by applying a package of components have been verified as retrofits for some nonroad and marine engines. Several systems which convert a conventional diesel engine configuration to a hybrid-electric system have been verified as retrofits for some nonroad and marine engines. Some cleaner fuels and additives have been verified as retrofits by U.S. EPA and/or CARB to achieve emissions reductions when applied to an existing diesel engine. Older, heavy-duty diesel vehicles that will not be retired for several years are good candidates for verified retrofit technologies. U.S. EPA suggests that applicants proposing to install verified retrofit technologies consult with suppliers to confirm that the proposed vehicles/engines and their duty-cycles are good candidates for the technology.

2. Eligible and Ineligible Activities

Activities must meet the following requirements to be eligible for funding:

- A. Project Eligibility Criteria:** Projects must meet the eligibility criteria defined in the tables below.

Table 1: Medium and Heavy-Duty Truck, Transit Bus, and School Bus Project Eligibility

Current Engine Model Year (EMY)	DOC +/- CCV	DPF	SCR	Verified Idle Reduction, Tires, or Aerodynamics	Vehicle or Engine Replacement: EMY 2021+ (2017+ for Drayage)	Vehicle or Engine Replacement: EMY 2021+ Zero Emission ² or Low-NO _x ³	Clean Alternative Fuel Conversion
older – 2006	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2007 – 2009	No	No	Yes	Yes ¹	Yes	Yes	Yes
2010 - newer	No	No	No	Yes ¹	No	Yes	Yes

¹Auxiliary power units and generators are not eligible on vehicles with EMY 2007 or newer.

²Eligible fuel cell projects are limited to hydrogen fuel cell engine replacements for eligible urban transit buses, shuttle buses and drayage trucks, and hydrogen fuel cell vehicle replacements for eligible urban transit buses, shuttle buses, and drayage trucks.

³ Please see the Low-NO_x Engine Factsheet found on the [DERA website](#) for guidance on identifying engines certified to meet CARB’s Optional Low NO_x Standards.

Table 2: Nonroad Engine Project Eligibility

Current Engine Tier	Vehicle/Equipment Replacement					Verified Retrofit
	Compression Ignition			Spark Ignition	Zero Emission ³	
	Tier 0-2	Tier 3-4i	Tier 4	Tier 2		
Unregulated – Tier 2	No	Yes ¹	Yes	Yes	Yes	Yes
Tier 3	No	No	Yes	Yes	Yes	Yes
Tier 4	No	No	No	No	Yes	No
Current Engine Tier	Engine Replacement					Verified Engine Upgrade
	Compression Ignition			Spark Ignition	Zero Emission ⁴	
	Tier 0-2	Tier 3-4i	Tier 4	Tier 2		
Unregulated – Tier 2	No	Yes ²	Yes	Yes	Yes	Yes
Tier 3	No	No	Yes	Yes	Yes	Yes
Tier 4	No	No	No	No	Yes	No

¹Tier 3 and Tier 4 interim (4i) allowed for vehicle/equipment replacement only when Tier 4 final is not yet available from OEM for 2021 model year equipment under the Transition Program for Equipment Manufacturers (TPEM).

²Tier 3 and Tier 4i engines may be used for engine replacement only if Tier 4 is demonstrated to not be available or feasible through a best achievable technology analysis as defined in Section I.B.2.B, below.

³Eligible fuel cell projects are limited to hydrogen fuel cell equipment replacements for eligible terminal tractors/yard hostlers, stationary generators, and forklifts.

⁴Fuel cell engine replacement is not eligible.

Table 3: Marine Engine Project Eligibility

Engine Category	Engine Horsepower	Current Engine Tier	Engine & Vessel Replacement					Certified Remanufacture System ³	Verified Engine Upgrade
			Compression Ignition			Spark Ignition	Zero Emission ²		
			Tier 1-2	Tier 3	Tier 4				
C1, C2	<803	Unregulated – Tier 2	No	Yes	No	Yes	Yes	Yes	Yes
C1, C2	≥804	Unregulated – Tier 2	No	Yes ¹	Yes	Yes	Yes	Yes	Yes
C1, C2	<803	Tier 3	No	No	No	Yes	Yes	No	No
C1, C2	≥804	Tier 3	No	No	Yes	Yes	Yes	No	No
C1, C2	≥804	Tier 4	No	No	No	No	No	No	No
C3	All	Unregulated - Tier 2	No	Yes	No	No	No	No	No
C3	All	Tier 3	No	No	No	No	No	No	No

¹Tier 3 engines may be used for engine replacement only if Tier 4 is demonstrated to not be available or feasible through a best achievable technology analysis as defined in Section I.B.2.B, below. Over 800 HP, Tier 3 engines are not eligible for full vessel replacement.

²Fuel cell engine and vessel replacements are not eligible.

³Some marine engine projects may be subject to the restriction on mandated measures.

Table 4: Locomotive Engine Project Eligibility

Current Locomotive Tier	Engine & Locomotive Replacement				Verified Retrofit	Idle-Reduction ² Technology	Certified Remanufacture System ⁴
	Tier 0-2+	Tier 3	Tier 4	Zero Emission ¹			
Unregulated - Tier 2+	No	Yes ³	Yes	Yes	Yes	Yes	Yes
Tier 3	No	No	Yes	Yes	Yes	Yes	Yes
Tier 4	No	No	No	No	No	Yes	No

¹Fuel cell engine and locomotive replacements are not eligible.

²Automatic engine start-stop technologies are only eligible to be installed on locomotives currently certified to Tier 0 or unregulated, subject to the restriction on mandated measures.

³Tier 3 engines may be used for engine replacement only if Tier 4 is demonstrated to not be available or feasible through a best achievable technology analysis as defined in Section I.B.2.B, below. Tier 3 is not eligible for locomotive replacement.

⁴Some locomotive engine projects may be subject to the restriction on mandated measures.

Note: Tier 0+, Tier 1+, Tier 2+, Tier 3, and Tier 4 represent locomotives manufactured or remanufactured under the more stringent Tier standards promulgated under the 2008 (current) locomotive and marine rule. Tier 0, Tier 1, and Tier 2 represent locomotives originally manufactured or remanufactured under the less stringent Tier standards promulgated in 1997.

B. Best Achievable Technology (BAT): All new nonroad and locomotive engines are now manufactured to meet the U.S. EPA Tier 4 standards. All new Category 1 and 2, 804 horsepower and above marine engines are now manufactured to meet the U.S. EPA Tier 4 standards. Recipients replacing these nonroad, marine, and locomotive engines must demonstrate that their projects commit to using Tier 4 engines if Tier 4 engines with the appropriate physical and performance characteristics are available. Recipients anticipating the use of Tier 3 engines should discuss their rationale for proposing lower tiered engine replacements.

If selected for funding, recipients must submit a best achievable technology analysis to DieselWise Indiana for approval before Tier 3 or Tier 4i vehicles, equipment, or engines can be purchased, as defined below. **The following analysis is not required at the time of project development.**

1. BAT Analysis Requirements:

1. The analysis must be prepared by the engine manufacturer or installer.
2. Using good engineering judgment, the engine manufacturer or installer must determine that no internal combustion engine certified to Tier 4 is produced by any manufacturer with the appropriate physical or performance characteristics to replace the existing engine in the equipment.
3. If the engine manufacturer or installer determines that no internal combustion engine certified to Tier 4 is available with the appropriate performance characteristics, explain why certified Tier 4 engines produced by them and other manufacturers cannot be used as a replacement because they are not similar to the engine being replaced in terms of power or speed.
4. If there are available internal combustion engines with the appropriate performance characteristics but the engine manufacturer or installer determines that no engine certified to Tier 4 is available with the appropriate physical characteristics, explain why certified internal combustion engines produced by them and other manufacturers cannot be used as a replacement because their weight or dimensions are substantially different than

- those of the engine being replaced, or because they will not fit within the equipment's engine compartment.
5. In evaluating appropriate physical or performance characteristics, the engine manufacturer or installer may account for compatibility with equipment components that would not otherwise be replaced when installing a new engine, including but not limited to transmissions or reduction gears, drive shafts, cooling systems, operator controls, or electrical systems. If the engine manufacturer or installer makes their determination on this basis, they should identify the equipment components that are incompatible with internal combustion engines certified to Tier 4 and explain how they are incompatible and why it would be unreasonable to replace them.
 6. Identify the proposed Tier 3 or Tier 4i engines to be used and discuss the physical and performance characteristics of the engines that will ensure compatibility with the existing equipment. Quantify proposed emission reductions, PM cost effectiveness and NOx cost effectiveness for the proposed options.
 7. DieselWise Indiana project eligibility or approval does not supersede any regulatory requirements for equipment owners, operators, manufacturers, installers and others, including but not limited to 40 CFR §1068.240, §1042.615, and §1033.601.
 8. Costs for design and engineering analysis may be included in the project budget.

C. Ownership, Usage and Remaining Life Requirements: To be eligible for funding, vehicles and equipment targeted for upgrades must meet certain ownership, usage, and remaining life requirements. States should demonstrate that all funded vehicles and equipment in their projects will meet the criteria defined in 1 to 6 below.

If selected for funding, participating fleet owners must attest to each criterion in 1 to 6, below in a signed eligibility statement which includes each vehicle make, model, year, vehicle identification number, odometer/usage meter reading, engine make, model, year, horsepower, engine ID or serial number, and vehicle/equipment registration/licensing number and state. This documentation must be submitted along with the signed cooperative agreement (if selected for funding) to verify the eligible use of grant funds. **A signed eligibility statement is not required at the time of project application.**

1. **Fleet Expansion:** Funding under this RFP cannot be used for the purchase of vehicles, engines, or equipment to expand a fleet.
2. **Operational:** The existing vehicle, engine, or equipment must be fully operational. Operational equipment must be able to start, move, and have all necessary parts to be operational.
3. **Ownership:** The participating fleet owner must currently own and operate the existing vehicle or equipment and have owned and operated the vehicle during the two years prior to upgrade.
4. **Remaining Life:** The existing vehicle, engine, or equipment must have at least three years of remaining life at the time of upgrade. Remaining life is the fleet owner's estimate of the number of years until the unit would have been retired from service if the unit were not being upgraded or scrapped because of the grant funding. The remaining life estimate is the number of years of operation remaining even if the unit were to be rebuilt or sold to another fleet. The remaining life estimate depends on the current age and condition of the vehicle at the time of upgrade, as well as things like usage, maintenance, and climate.
 1. Highway Usage: The mileage of two or more units may be combined to reach the thresholds below where two or more units will be scrapped and replaced with a single unit. To be eligible for funding, the existing certified highway engine/vehicle must have accumulated at least 7,000 miles/year during the two years prior to upgrade.
 2. Exception: If a recipient can demonstrate that a certified highway engine/vehicle is being used in a predominately nonroad application (e.g. firetrucks or utility trucks that idle for long periods to power auxiliary apparatus), engine operating hours as defined below in "nonroad usage" may be used for application eligibility purposes. If selected for award, DieselWise Indiana will review and approve eligibility on a case-by-case basis.
5. **Nonroad Usage:** The engine operating hours of two or more units may be combined to reach the thresholds below where two or more units will be scrapped (see Section I.B.3.6 below) and replaced with a single unit.
 1. Agricultural Pumps: To be eligible for funding, certified nonroad agricultural pumps must operate at least 250

- hours/year during the two years prior to upgrade.
2. All Other Nonroad Engines: To be eligible for funding, certified nonroad engines should operate at least 500 hours/year during the two years prior to upgrade.
 3. Exception: If a recipient can demonstrate that a certified nonroad engine/vehicle is being used in a predominately highway application, vehicle mileage as defined above in “highway usage” may be used for application eligibility purposes. If selected for award, DieselWise Indiana will review and approve eligibility on a case-by-case basis.

6. Locomotive and Marine Usage: The engine operating hours of two or more units may be combined to reach the thresholds below where two or more units will be scrapped (see Section I.B.3.6 below) and replaced with a single unit. To be eligible for funding the existing certified locomotive and marine engines must operate at least 1,000 hours/year during the two years prior to upgrade.

3. Vehicle and Equipment Costs

A. Vehicles, Engines, and Equipment: Eligible project costs include the purchase price of eligible vehicles, engines and equipment as defined in Section 1.B.

B. Vehicle and Equipment Replacement Projects:

1. To be eligible for funding, replacement highway vehicles must be certified by U.S. EPA and/or CARB to meet applicable emission standards. To be eligible for funding, replacement nonroad equipment, locomotives and marine vessels must be powered by engines certified to U.S. EPA and/or CARB emission standards. However, zero tailpipe emissions nonroad equipment, marine vessels, and locomotives do not require U.S. EPA or CARB certification. U.S. EPA’s annual certification data for vehicles, engines, and equipment may be found at U.S. EPA’s [Annual Certification Data for Vehicles, Engines, and Equipment](#) website. U.S. EPA’s engine emission standards may be found at U.S. EPA’s [All U.S. EPA Emission Standards](#) website. Engines certified by CARB may be found by searching CARB’s Executive Orders for Heavy-duty Engines and Vehicles, found on [CARB’s New Vehicle and Engine Certification](#) website. Please see the Low NO_x Certified Engines Factsheet found on U.S. EPA’s [DERA State website](#) for guidance on identifying engines certified to meet CARB’s Optional Low NO_x Standards.
2. To be eligible for funding the replacement vehicle or equipment must be of similar type and gross vehicle weight rating or horsepower as the vehicle, engine, or equipment being replaced.
 - a. Nonroad: Horsepower increases of more than 40 percent require specific approval by DieselWise Indiana prior to purchase, and the

- recipient may be required to pay the additional costs associated with the higher horsepower equipment.
- b. Highway: The replacement vehicle must not be in a larger weight class than the existing vehicle. Exceptions may be granted for vocational purposes and require specific DieselWise Indiana approval prior to purchase.
 3. The replacement vehicle, engine, or equipment must continue to perform similar function and operation as the vehicle, engine, or equipment that is being replaced.
 4. The replacement vehicle must resemble the replaced vehicle in form and function. The cost of optional components or “add-ons” that significantly increase the cost of the vehicle may not be eligible for funding under the grant.

C. Engine Replacement Projects:

1. To be eligible for funding, replacement highway, nonroad, marine and locomotive engines must be certified to U.S. EPA and/or CARB emission standards. However, nonroad engine, locomotive engine, and marine engine zero tailpipe emissions engine replacements do not require U.S. EPA or CARB certification. Please reference U.S. EPA’s [Annual Certification Data for Vehicles, Engines, and Equipment](#), U.S. EPA’s engine [Emission Standards](#), and [CARB’s Executive Orders for Heavy-duty Engines and Vehicles](#). Please see DERA’s [Low-NOx Engine Factsheet](#) for guidance on identifying engines certified to meet CARB’s Optional Low NOx Standards.
2. Eligible costs include equipment and parts included in the certified engine configuration and/or are required to ensure the effective installation and functioning of the new technology such as design and engineering, parts and materials, and installation.
3. For engine replacement with battery, fuel cell, and grid electric, eligible costs include electric motors, electric inverters, battery assembly, direct drive transmission/gearbox, regenerative braking system, vehicle control/central processing unit, vehicle instrument cluster, hydrogen storage tank, hydrogen management system and fuel cell stack assemblies.
4. Funding under this program cannot be used to replace cabs, axles, paint, brakes, or mufflers.
5. To be eligible for funding the replacement engine must be of similar horsepower as the engine being replaced.
 - a. Nonroad: Horsepower increases of more than 40 percent require specific approval by DieselWise Indiana prior to purchase, and the recipient may be required to pay the additional costs associated with the higher horsepower equipment.

- b. Highway: The replacement vehicle must not be in a larger weight class than the existing vehicle. Exceptions may be granted for vocational purposes and require specific DieselWise Indiana approval prior to purchase.

D. Locomotive or Marine Engine Remanufacture System Projects:

1. To be eligible for funding, remanufacture systems for locomotives and marine engines must be certified by U.S. EPA at the time of acquisition. The list of certified remanufacture systems are available at [Annual Certification Data for Vehicles, Engines, and Equipment](#) and additional information on remanufacture systems is available at U.S. EPA's [Marine Remanufacturing Program: Maintaining Compliance when Rebuilding Category 1 and 2 Marine Diesel Engines](#).
2. Eligible costs include the associated labor costs for installation of the system.
3. Funding under this program cannot be used for the entire cost of an engine rebuild if a certified remanufacture system is applied at the time of rebuild; the funds may only be used for the cost of the certified remanufacture system and associated labor costs for installation of the kit.

E. Idle Reduction Projects:

1. Eligible costs for idle reduction technologies that are installed on the vehicle can include the associated labor costs for installation of the system.
2. To be eligible for funding technologies must be on U.S. EPA's [SmartWay Verified Technologies](#) list at the time of acquisition.

F. Vehicle, Equipment, and/or Engine Scrappage:

1. The vehicle, equipment, and/or engine being replaced must be scrapped or rendered permanently disabled within ninety (90) days of being replaced.
2. Cutting a three-inch-by-three-inch hole in the engine block (the part of the engine containing the cylinders) is the preferred scrapping method. Other scrapping methods may be considered and require prior DieselWise Indiana approval.
3. Disabling the chassis may be completed by cutting through the frame/frame rails on each side at a point located between the front and rear axles. Other scrapping methods may be considered and require prior written approval from DieselWise Indiana.
4. Equipment and vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced (e.g., plow blades, shovels, seats, tires, etc.). If

disabled engines, disabled vehicles, disabled equipment, or parts are to be sold, program income requirements apply.

5. Alternative Scrappage Options:

- a. If a 2010 engine model year (EMY) or newer highway vehicle is replaced, the 2010 EMY or newer vehicle may be retained or sold if the 2010 EMY or newer vehicle will replace a pre-2009 EMY vehicle, and the pre-2009 EMY vehicle will be scrapped. It is preferred that the scrapped unit currently operates within the same project location(s) as the 2010 EMY or newer vehicle currently operates, however alternative scenarios will be considered. All existing and replacement vehicles are subject to the funding restrictions in this document. All equipment must operate within the United States. Under this scenario, a detailed scrappage plan must be submitted and requires prior DieselWise Indiana approval.
 - b. If a Tier 2, Tier 3, or Tier 4 locomotive, marine, or nonroad vehicle, equipment and/or engine is replaced, the units may be retained or sold if they will replace a similar, lower Tiered unit, and the lower Tiered unit will be scrapped. It is preferred that the scrapped unit currently operates within the same project location(s) as the original Tier 2, 3, or 4 unit currently operates, however alternative scenarios will be considered. All existing and replacement equipment are subject to the funding restrictions in this document. All equipment must operate within the United States. Under this scenario, a detailed scrappage plan must be submitted and requires prior DieselWise Indiana approval.
6. Evidence of appropriate disposal is required in a final report submitted to DieselWise Indiana. Participating fleet owners must attest to the appropriate disposal in a signed scrappage statement. A sample scrappage statement may be found on [DieselWise Indiana's website](#). The scrappage statement must include:
- a. Vehicle owner's name and address.
 - b. Vehicle make, vehicle model, vehicle model year, VIN, odometer reading or usage meter reading, engine make, engine model, engine model year, engine horsepower, engine ID or serial number, as applicable.
 - c. Name, address, and signature of dismantler.
 - d. Date engine and/or vehicle/equipment was scrapped.
 - e. Statement attesting to scrappage of vehicle/engine as defined above.
 - f. Signature of participating fleet owner.
 - g. Digital photos as follows:

- Side profile of the vehicle, prior to disabling.
- VIN tag or equipment serial number.
- Engine label (showing serial number, engine family number, and engine model year).
- Engine block, prior to hole.
- Engine block, after hole.
- Cut frame rails or other cut structural components, as applicable.
- Others, as needed

- G. Expenses Incurred Prior to the Period of Performance:** Funding under this program cannot be used to cover expenses incurred prior to the project period of performance set forth in any cooperative agreement funded under this program.
- H. Fueling Infrastructure:** Funding under this program cannot be used for fueling infrastructure, such as that used for the production and/or distribution of biodiesel, compressed natural gas, liquefied natural gas, and/or other fuels.
- I. Mandated Measures:** Funding under this program cannot be used to fund the costs of emissions reductions that are mandated under federal law pursuant to 42 U.S.C. 16132(d)(2).
- J. Leasing and Purchasing Over Time:** Funding under this program cannot be used for leasing vehicles, engines, or equipment. This includes any “lease to own” programs. Installment loan purchases of equipment and vehicles are not eligible for funding through this program. Equipment and vehicles must be paid in-full by applicant prior to the termination date of the cooperative agreement and prior to requesting reimbursement. Any projects making use of any 3rd party funding beyond those being provided directly by the applicant must demonstrate that those 3rd party funds are “in-house” and “dedicated” to the project included in the application. All project proposals that include contingent funding from any source are not eligible under this program.
- K. Buy America Requirements:** Certain projects under this program are subject to the Buy America Sourcing requirements under the Build America, Buy America (BABA) provisions of the [Infrastructure Investment and Jobs Act \(IIJA\)](#) (P.L. 117-58, §§70911- 70917) when using Federal funds for the purchase of goods, products, and materials on any form of construction, alteration, maintenance, or repair of infrastructure in the United States. The Buy America preference applies to all of the iron and steel, manufactured products, and construction materials used for the infrastructure project under an award for identified U.S. EPA [financial assistance funding programs](#). Please consider this information when preparing project and budget information.

The recipient must implement these requirements in its procurements, and this article must flow down to all subawards and contracts at any tier. For legal definitions and sourcing requirements, the recipient must consult U.S. EPA's [Build America, Buy America website](#).

Under BABA, a Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project.

On-highway vehicles/engines and non-road engines/equipment funded by this program are not considered “infrastructure.” The following potentially eligible projects under this competition meet the definition of “infrastructure” and are subject to Buy America preference requirements under BABA:

- Structures, facilities, and equipment that generate, transport, and distribute energy
 - including electric vehicle (EV) charging equipment
- Any other permanent public structure that meets the infrastructure definition in [M-24-02](#).

When supported by rationale provided in IIJA §70914, the recipient may submit a request for a BABA waiver to DieselWise Indiana. If selected for funding, the recipient should request guidance on submitting a BABA waiver request to DieselWise Indiana. A list of approved U.S. EPA waivers is available on the [Build America, Buy America website](#).

In addition to BABA requirements, all procurements under grants may be subject to the domestic preference provisions of 2 CFR 200.322. See “Build America, Buy America” clause in U.S. EPA [Solicitation Clauses](#).

4. Cost-Share Requirements

Any form of cost share, mandatory or voluntary, must be included in the budget detail portion of the project narrative, and the project must describe how and when the recipient will obtain the cost share and how the cost share funding will be used. **If the proposed cost share is to be provided by a named project partner, a letter of commitment is required.** Only eligible and allowable costs may be used for cost share.

The “DieselWise Funding Limits” (percentages) shown below represent the maximum portion of the equipment costs (parts and labor including sales tax) that can be covered with DieselWise Indiana funds and any non-federal voluntary matching funds provided by the applicant. The portion of the costs that exceed the DieselWise Indiana Funding Limit is referred to as the “mandatory cost- share.” Meeting the mandatory cost-share is ultimately the responsibility of the applicant.

A. Mandatory Cost Share Requirement: Projects are subject to the funding limitations and mandatory cost share requirements shown in Table 5 below.

Table 5: Cost Share Requirements

Eligible Technologies	DieselWise Funding Limit	Mandatory Cost Share
Vehicle or Equipment Replacement with U.S. EPA Certified Engine	25%	75%
Vehicle or Equipment Replacement with CARB Certified Low NOx Engine	35%	65%
Vehicle or Equipment Replacement with Zero-tailpipe Emission Power Source	45%	55%
Engine Replacement with U.S. EPA Certified Engine	40%	60%
Engine Replacement with CARB Certified Low NOx Engine	50%	50%
Engine Replacement with Zero-tailpipe Emission Power Source	60%	40%
U.S. EPA Certified Locomotive or Marine Remanufacture Systems	100%	0%
U.S. EPA Verified Highway Idle Reduction Technologies when combined with new or previously installed exhaust after-treatment retrofit	100%	0%
U.S. EPA Verified Highway Idle Reduction Technologies without new exhaust after-treatment retrofit	25%	75%
U.S. EPA Verified Locomotive Idle Reduction Technologies	40%	60%

B. Voluntary Cost Sharing: Voluntary cost sharing is when an applicant voluntarily proposes to legally commit to provide costs or contributions to support the project beyond the mandatory cost-share. Applicants who propose to use a voluntary cost share must include the costs or contributions for the voluntary cost share in the project budget of their application. If an applicant proposes a voluntary cost share, the following apply:

- A voluntary cost share is subject to the applicable provisions of 2 CFR § 200.306, *Cost sharing or matching*.
- A voluntary cost share may only be met with eligible and allowable costs.
- The applicant may not use other sources of federal funds to meet a voluntary cost share.

The applicant is legally obligated to meet any proposed voluntary cost share that is included in the approved project budget. If the proposed voluntary cost share does not materialize during the performance period of the cooperative agreement, DieselWise Indiana may reconsider the legitimacy of the award and/or take other appropriate action as authorized by [Indiana Code 13-17-3-9](#).

C. Anticipated Outcomes: Through these projects the DieselWise Indiana

program anticipates the following benefits:

1. Examples of innovative nonroad emission reduction technologies that can be implemented in other areas and applications.
2. Improved air quality via the reduction of NO_x, hydrocarbon, carbon monoxide, particulate matter, and air toxic emissions from medium and heavy-duty diesel engines.
3. Reduced fuel and oil consumption and other fluid or solid waste from idling diesel vehicles.
4. Reduced maintenance costs associated with diesel vehicle idling.
5. Reduced noise levels associated with diesel vehicle idling.
6. Improved quality of life for the population residing in close proximity to the areas where diesel equipment operation is common.
7. After these projects are fully implemented, the DieselWise Indiana program will have the ability to assess the benefits of these projects for marketing similar diesel emission reduction strategies in the future.

Section II – Award Information

A. Funding Allocations

Note: Although an applicant may receive multiple awards, no individual award is anticipated to exceed \$250,000 dollars. The number and amount of awards, and projected categorical funding allocations, are subject to both available funds and the quality of the proposals submitted. DieselWise Indiana reserves the right to partially fund proposals by funding discrete activities, portions, or phases of the proposed projects. If DieselWise Indiana decides to partially fund the proposal, it will do so in a manner that does not prejudice any Grantee or affect the basis upon which the proposal was evaluated and selected for award, and that maintains the integrity of the competition and the evaluation process.

The awards resulting from this RFP will result in a cooperative agreement between the Grantee and IDEM. IDEM's DieselWise Indiana program role will be as follows:

1. Close monitoring of the Grantee's performance to verify the results proposed by the Grantee.
2. Collaborate during the performance of the scope of work.
3. Approve substantive terms of proposed grants and contracts.
4. Review qualifications of the Grantee's and contractor's key personnel.
5. Review and verify information contained in reports prepared under the cooperative agreements; and,
6. Reimbursement in arrears of monies spent by the Grantee in accordance with the cooperative agreement. This reimbursement will be for project-related costs paid by the Grantee directly to technology vendor. All payment obligations will be

made in arrears in accordance with Indiana law and state fiscal policies and procedures.

B. What is the Project Period for Awards Resulting from this RFP?

All projects implemented as a result of grant awards under this program must be completed by September 30, 2026, to qualify for reimbursement.

C. Are Matching Funds Required?

Yes. Preference will be given to proposals that include a financial cost-share match over and above the mandatory match detailed in this announcement. This will enable the DieselWise Indiana program to maximize the total funds available. Please refer to Section V, Application Review Information, for further information.

Section III – Eligible Entities

This is a statewide competitive grant program open to public and private entities that operate diesel powered equipment. Public entities, for example, may include local, city, county, and state government and quasi-government entities. Private entities may include family-owned businesses, partnerships, limited liability corporations as well as corporations. Note that these are sample entities and may not represent an all-inclusive list of eligible entities.

Section IV – Application and Submission Information

A. How to Apply

An electronic copy of this RFP for clean diesel projects can be requested from Mr. Shawn M. Seals at (317) 233-0425 or SSeals@idem.IN.gov. Copies may also be downloaded from the DieselWise Indiana Web site at <https://www.in.gov/idem/airquality/dieselwise/>.

B. Content and Form of Application Submission

The grant application must contain the following information, preferably in the sequential order shown:

1. Signed cover letter on the applicant’s letterhead that briefly summarizes the applicant’s proposal.
2. If the applicant is a privately-owned entity, the application must include a completed and signed copy of the Automated Direct Deposit Authorization Agreement. If the applicant is claiming an Indiana Business, governmental, or not-for profit preference, then the Indiana Economic Impact Proposals and Contracts Form must be included. If the applicant is claiming a Minority and Women’s Business Enterprise preference, the application must include written documentation that

- clearly demonstrates a measurable MBE/WBE/VBE participation requirement by applicant. If the applicant is claiming a Veterans Business Enterprise preference, the applicant must include verification that it is registered with the Indiana Veterans Business Enterprise program. These forms, where appropriate, can be found on the Indiana Commission on Public Records Forms.IN.gov Web page or via email upon request.
3. Narrative Work Plan. This document, a maximum of 10 pages in length, must conform to the following outline:
- a. *Project Title.*
 - b. *Title of DieselWise Indiana RFP from which funds are being requested.*
 - c. *Category:* Each project proposal must clearly identify which of the diesel emission reduction project categories the applicant wishes to pursue as defined in Section I.B. of this grant announcement.
 - d. *Grantee Information:* Include applicant (organization) name, address, contact person, phone number, fax, and e-mail address.
 - e. *General Fleet Information:* How many vehicles will be improved, current mileage or operating hours, estimated monthly operating hours, estimated monthly idle time, estimated monthly fuel consumption, estimated monthly use (in miles or hours), vehicle make, vehicle model year, and estimated years to remain in the active fleet. This information should be incorporated in the DieselWise Indiana Fleet Spreadsheet (DIFS) and provided electronically.
 - f. *Funding Requested:* Specify the amount of money being requested from DieselWise Indiana.
 - g. *Total Project Cost:* Specify total cost of the project (including DieselWise Indiana funding and cost-share). Identify funding from other sources.
 - h. *Project Period:* Provide beginning and ending dates (for planning purposes, Grantees should assume funds will be available by no later than 90 days after notification of award). All projects must be completed no later than September 30, 2026.
 - i. *Project Description: Explicit* description of how the proposed project meets the category-specific guidelines established in Section I.B., Scope of Work, to include:
 - i. A detailed project summary, description of specific actions and methods to be undertaken, and the estimated timeline for each project.
 - ii. An explanation of how the project benefits air quality for citizens of Indiana, including an estimate (including explanation of stated estimate) of the number of citizens positively affected.

- iii. A plan for tracking and measuring the progress toward achieving the anticipated outcomes identified in Section I.D. of this announcement.
- iv. An explanation of how project success will be evaluated.
- v. A detailed summary describing the physical location(s) where diesel equipment operation occurs (i.e., place of business, warehouse(s), truck routes, etc.) and the hours per month operation occurs.
- vi. A description of the roles of the Grantee and partners, if any.
- vii. Contact information for all key personnel.
- viii. To the extent not covered above, information to address the evaluation criteria listed in Section V.
- ix. A detailed itemized budget specifying the project costs that will be incurred by the applicant (to include DieselWise Indiana funds as well as cost-share).
- x. A detailed fleet description of the vehicles to be improved through this grant program. This information must be provided by completing the DIFS found in Appendix B of this solicitation. The DIFS form **MUST** be submitted in Microsoft Excel or similar electronic format, not PDF. Information included in the DIFS will not count towards the 10-page limit of the narrative work plan and will be used by IDEM to calculate potential emission reductions for each project.

C. Submission Methods and Deadlines

Indiana will only accept electronic grant proposals in response to this RFP. Electronic grant application narratives must be submitted in a single PDF document format, along with the DIFS in Microsoft Excel or similar spreadsheet format, to the DieselWise Indiana Program Administrator at SSeals@idem.IN.gov. Electronic submissions will be considered timely upon receipt, not transmission. An e-mail response confirming receipt of electronic proposals will be provided on or before the closing date when possible. Hard copy, facsimile, and late submissions will not be accepted.

DieselWise Indiana proposes the following estimated timeline:

Table 6: DieselWise Indiana Estimated Timeline

Project Milestone	Approximate Date of Completion	Approximate Accumulated Time from Web Posting
RFP Posted	January 10, 2025	
Proposal Receipt Deadline	February 28, 2025	7 Weeks
Proposal Review, Prioritization, and Selection	March 21, 2025	10 Weeks
Selected Proposal Notification	March 28, 2025	11 Weeks
Cooperative Agreements Fully Executed	April 25, 2025	15 Weeks
Projects Complete and Fully Implemented	September 30, 2026	90 Weeks

Section V – Application Review Information

A. Evaluation Criteria

Each eligible application will be evaluated according to the criteria set forth below and other applicable considerations. The evaluation criteria detailed below will be used by DieselWise Indiana to score, evaluate, and rank potential projects. These criteria are not expected to be calculated or provided by the applicant. Proposals that directly and explicitly address these criteria will have a greater likelihood of being selected for an award. Each application will be rated under a points system, with a total of 100 points possible. In addition to the quantitative evaluation, additional qualitative considerations will be given to proposals that include:

- Reasonable geographic distribution of projects across the state.
- Direct quality of life benefits to nearby communities (i.e., rail switchyard, truck stop, etc. adjacent to a neighborhood or school).
- Collaboration among a diverse set of stakeholders to advance a broader environmental vision or goal for the area.
- Evidence that projects can be replicated with plans to expand the scope to other fleet/equipment owners.
- Evidence of regional support for a project.
- Evidence of a clear plan of action, milestones, and schedule for project completion.
- Evidence of commitment by owner to maintain vehicle emission control system for life of vehicles.
- Evidence of commitment to transform remaining fleet in the future years to alternative fuel and/or electric.

- Evidence of public health benefits by project taking place in a uniquely overburdened location.
- Evidence of commitment and ability to encourage other fleet owners to transform fleets into alternative energy platforms with estimated lower lifetime costs than diesel and great emission reductions of NO_x, PM_{2.5}, VOC, CO, CO₂ and toxic pollutants.
- Evidence of project implementation feasibility without significant obstacles to ensure continued use of the replacement vehicle.

Projects will be evaluated and scored based on the following criteria:

Table 7: DieselWise Indiana Scoring Criteria

Criteria	Points
Cost effectiveness of project (\$ per ton of NO _x reduced).	25
Transformational potential (potential to prove or maximize effectiveness of newer technology).	15
Project's total NO _x emission reduction potential (based on type of project and/or the use of vehicle).	15
NAAQS sensitive areas as a percentage of current standards.	15
Air quality benefits to areas with sensitive populations or that bear a disproportionate share of the air pollution burden.	10
Leveraging of resources (financial only).	10
Entities registered with the Indiana Secretary of State that operate vehicles and equipment in conjunction with Indiana facilities (include Indiana Economic Impact documentation).	5
Active participant in the State of Indiana, Department of Administration or Department of Transportation Minority/Women/Veterans Business Enterprise Participation Plan (include measurable MBE/WBE/VBE participation requirements documentation) or in the case of a nonprofit or local unit of government has published guidelines that support MBE/WBE/VBE participation.	5

Note: Additional details on scoring criteria point awards can be found in Appendix A of this document.

B. Disclaimer

The Indiana Department of Environmental Management accepts no obligation for costs incurred by the applicant in anticipation of being awarded a grant. The State creates no obligation expressed or implied by issuing this RFP or by receipt of any projects submitted. The award of any grant monies shall be at the sole discretion of DieselWise Indiana. Neither this grant announcement nor any response resulting from this announcement is to be construed as a legal offer.

Questions regarding this RFP may be directed to Mr. Shawn M. Seals at (317) 233-0425 or SSeals@idem.IN.gov.

Section VI – Proposal Submission Checklist

The grant application package *must* include all the following materials. Use this checklist to ensure that all required materials have been included in your grant application package.

- Project Narrative (hard limit of no more than 10 pages)
 - Signed Cover Letter
 - Work Plan (see Section IV, B for detailed requirements)
- DieselWise Indiana Fleet Spreadsheet (not included in 10-page limit)
- Applicant-Share Commitment Letters, if applicable (not included in 10-page limit)
- State Form 47551 – Automated Direct Deposit Authorization Agreement (not included in 10-page limit)
- State Form 51778 – Indiana Economic Impact Form (not included in 10-page limit)

Section VII-- Appendices

- A. Appendix A – Evaluation Criteria Scoring Details
- B. Appendix B – DieselWise Indiana Fleet Data Spreadsheet
- C. Appendix C - Sample Indiana Cooperative Agreement
- D. Appendix D – Certification of Vehicle Scrappage Document