Mr. Michael A. Schiltz  
Vice President of Operations & Engineering  
American Power Group  
2503 E. Poplar Street  
Algona, IA 50511

Re: Dual-Fuel Conversion System Assessment  
Tracking No. **DF-2016-001**

Dear Mr. Schiltz:

The Texas Commission on Environmental Quality (TCEQ) has reviewed your request for a determination of the percentage reduction in nitrogen oxides (NOx) emissions that may be considered for a grant under the Emissions Reduction Incentive Grants (ERIG) Program to retrofit a heavy-duty on-road engine with the dual-fuel conversion system listed below.

<table>
<thead>
<tr>
<th>Manufacturer</th>
<th>Engine Family</th>
<th>System Approval</th>
<th>Fuel</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Power Group, Inc.</td>
<td>FAPGH14.9CMC</td>
<td>EPA Heavy-Duty On-Road Engine Intermediate Age</td>
<td>Diesel/CNG</td>
</tr>
</tbody>
</table>

This assessment is conducted under authority of Texas Health and Safety Code, §386.104(f-1), and the Texas Emissions Reduction Plan: Guidelines for Emissions Reduction Incentive Grants (RG-388). Based on the additional information provided, the TCEQ has determined that a **16%** reduction in NOx emissions may be used in an application to the ERIG Program.

This determination only applies to a project to retrofit an engine included under the U.S. Environmental Protection Agency's (EPA) acceptance of the conversion system, as listed on the EPA's website at <http://www.epa.gov/otaq/consumer/fuels/altfuels/altfuels.htm>. The installation of the system must comply with all applicable EPA requirements.

This letter is provided solely to establish a percentage emissions reduction factor for use under the ERIG Program. The TCEQ has made no other determinations and provides no other approvals regarding the system.
Mr. Michael A. Schultz
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November 18, 2015

Thank you for your participation in this program. If you have any questions, please contact Mr. Stephen Dayton at (512) 239-6824.

Sincerely,

[Signature]

Joe Walton, Manager
Implementation Grants Section
Air Quality Division
Texas Commission on Environmental Quality

JW/sd