

A large, faint watermark of the U.S. Environmental Protection Agency logo is centered in the background. The logo features a stylized flower with three leaves and a circular top containing a sun-like symbol. The text "UNITED STATES ENVIRONMENTAL PROTECTION AGENCY" is arranged in a circular path around the central emblem.

DERA Funding Opportunities

National Clean Diesel Grant and Rebate Programs

June 11, 2013

U.S. Environmental Protection Agency

0

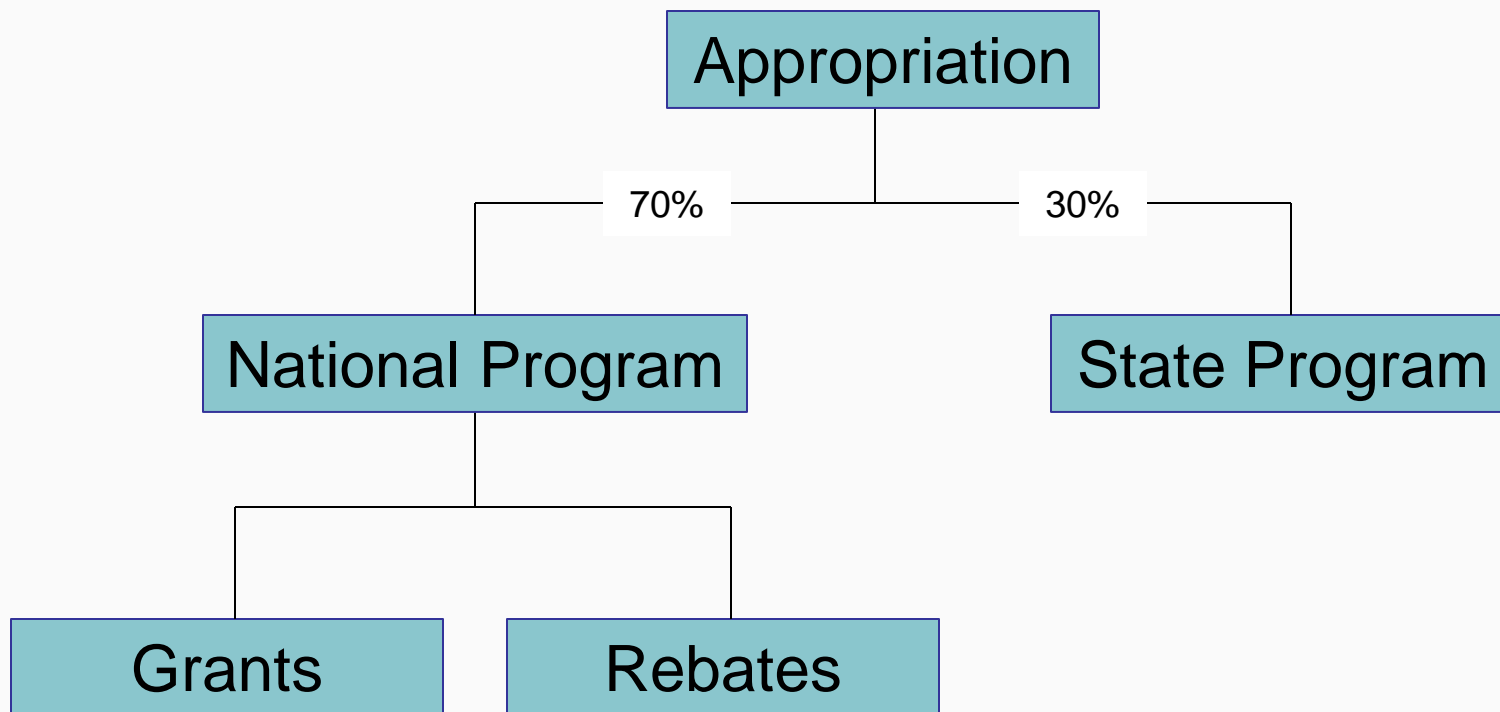


Background

- DERA: Diesel Emissions Reduction Act
 - Enacted in 2007
 - Authorized EPA to administer grant and loan programs to reduce diesel emissions
 - Re-authorized in 2010
 - Extended DERA through 2016
 - Granted EPA authority to award rebates
 - Since 2008...
 - Annual competitive grant process
 - Plus separate stimulus bill competition
 - Annual state grant allocation process
 - Rebate program beginning in 2012



Funding Distribution





State Program

- Allocates a portion of DERA funds to each interested state and territory
- States/territories develop their own funding programs
 - Some may be open competitions for funding
- Check with your state's or territory's environmental agency for more information



National Grant Program: Eligible Applicants

- Regional, state, local, tribal or port agency with jurisdiction over transportation or air quality; and
- Nonprofit organization or institution which
 - Represents or provides pollution reduction or educational services to persons or organizations that operate diesel fleets; or
 - Has, as its principle purpose, the promotion of transportation or air quality



National Grant Program: Eligible Vehicles

- May include, but are not limited to
 - Buses
 - Medium-duty or heavy-duty trucks;
 - Marine engines;
 - Locomotives; and
 - Non-road engines, equipment or vehicles used in:
 - Construction; Handling of cargo (including at a port or airport); Agriculture; Mining; or Energy production (including stationary generators and pumps)



National Grant Program: Eligible Activities

Emission Reduction Strategy	Eligible for Federal Funding
Verified Exhaust Control Technologies	100%
Verified/Certified Engine Upgrades	40%
Verified/Certified Cleaner Fuel Use (must be combined with replacement, repower, alt fuel conversion, or exhaust control)	Cost differential between conventional diesel and clean fuel
Verified Idle Reduction Technologies:	
Locomotive (on-board)	Up to 40%
Shore power (locomotive & marine)	Up to 25%
Truck stop electrification	Up to 25%
All others	100%, but must be combined with a verified exhaust control



National Grant Program: Eligible Activities

Emission Reduction Strategy	Eligible for Federal Funding
Verified Aerodynamic Technologies and Low Rolling Resistance Tires	100%, but must be combined with a verified exhaust control
Certified Engine Repowers	40%
Vehicle/Equipment Replacements:	
Drayage trucks	50%, when new vehicle has 2010 or newer engine
All others	25%, when new vehicle has 2011 engine



National Grant Program: Additional Requirements

- Repower and Replacement projects: Old vehicle engine must be:
 - Scrapped (i.e. permanently disabled)
 - Returned to the original engine manufacturer
 - Remanufactured to a cleaner emission standard (non-road)
 - Remanufactured to at least 2007 emission standard (on-road)
- Drayage truck replacement projects
 - Must meet operational guidelines and drayage truck definition, as stated in the RFP



National Grant Program: Restrictions

- Age & usage exclusions
 - 1989 and older highway vehicles
 - Equipment that operates less than 500 hr/year or with less than 7 years useful life
 - Locomotive/marine engines operating less than 1,000 hr/year
- Emission level restrictions
 - Non-road replacement/repower projects subject to limits on the old/new emissions levels
- Mandated measures
 - Cannot fund emission reductions mandated under Federal law (relevant for some locomotive & marine engines)



National Grant Program: National and Regional Priorities

- National priorities
 - Location (Nonattainment, high diesel exposure, etc)
 - Diesel reduction effectiveness (based on chosen technology, vehicle age, and vehicle operating conditions)
 - Maximizes public health benefits
 - Utilizes a community-based multi-stakeholder process to reduce toxic emissions
 - Conserves diesel fuel
- Regional priorities (for the Northeast Diesel Collaborative)
 - Emission reductions in urban areas
 - Impacts a priority sector (municipal, transit, freight, construction, ports)
 - Benefits multiple jurisdictions
 - Demonstrates effective partnerships
 - Maximizes positive climate change impacts
 - Replicable



National Grant Program: In Case You Hadn't Heard

- Request for Proposals is open now!
 - Deadline for submitting: June 25
 - Proposal funding ranges:
 - Region 1: \$150,000 to \$300,000
 - Region 2: \$250,000 to \$600,000
 - RFP and other materials available at:
 - www.epa.gov/cleandiesel
 - or through www.northeastdiesel.org



National Rebate Program

Grants	Rebates
Competitive	Non-competitive
Allow for a wide range of project & sector types	Tailored to specific project requirements & eligibility
Require a detailed workplan and grant agreement	Streamlined application process
Amount of funds is proposed by applicant and may be further negotiated with EPA	Provide a reimbursement once all work is completed; rebate amount is established up-front



National Rebate Program: Background

- First established in 2012
- Pilot program provided rebates up to \$30,000 for replacing school buses
- Same eligible applicants as grant program
- Private school bus contractors were also eligible to apply
- Applicants selected by lottery
 - 30 selected out of 1,000 applications
 - Others added to wait list
- Selected applicants have 9 months to procure a new bus and scrap old one to receive reimbursement



National Rebate Program: Upcoming

- Rebate program to expand beyond school buses
 - Several sectors and technologies still under consideration
 - EPA can offer rebates for retrofits, repowers, replacements or combinations thereof
 - Program tailored to meet national priorities, cost-effectiveness, etc...
 - Removes this burden from applicants (unlike grants)
- Rebates can also target high-priority geographic areas
 - Nonattainment
 - Elevated diesel exposure
- More information expected later this year...



Keeping Up With Funding Opportunities

- www.epa.gov/cleandiesel/
 - www.epa.gov/cleandiesel/ncdc-cmt.htm to sign up for email updates
 - 1-877-NCDC-FACTS or cleandiesel@epa.gov with any funding-related questions
- www.northeastdiesel.org/funding.html
- Email a request to Region2_Clean_Diesel@epa.gov to be added to the NEDC mailing list