Diesel Emissions Reduction Act (DERA): Awards & Opportunities

SIPRAC 2/14/19
Patrice Kelly
Background & History

• Diesel Emissions Reduction Act was included in the Energy Policy Act of 2005
  – PUBLIC LAW 109–58—AUG. 8, 2005

• Annual Budget Allocation by Congress

• Establishes several types of clean diesel funding
  – State DERA: Non-competitive state allocations; state administered
  – National DERA: Regional projects, EPA-administered, focused on public entities (competitive)
    • Clean School Bus is a subset of National DERA
    • Nationwide lottery

• 2008 First Year of Funding
State Program Goals & Restrictions

• Funding can support grant, rebate, and loan programs
• Administered by eligible states or territories
• Designed to achieve significant reductions in diesel emissions.

• Restrictions
  – No fleet expansion
  – Early Replacement
  – Scrappage
  – Limited Model Year Ranges
State Program Structure

- Notice of Intent to participate
- Workplan Submitted to EPA and Approved (June 2018)
- Solicitation opened October 3, 2018
- $742,000 Available
  - EPA allocation
  - VW DERA Option funds as voluntary match
  - EPA Matching Incentive
  - State SEP funds as additional voluntary match
- Deadline November 27, 2018
- Grants Awarded December 21, 2018
Eligible Projects

• Early Replacement
• Repower / Engine Replacement
• Engine Upgrades / Rebuilds
• Clean Alternative Fuel Conversions
• EPA-Verified Idle Reduction Technologies
• Exhaust Emission Control Technologies
• EPA-Verified Aerodynamic Technologies and Low Rolling Resistance Tires
Connecticut State DERA Projects

• **Early Replacement:**
  - 6 Refuse & Recycling Trucks
  - 6 Municipal Dump Trucks
  - 4 State Box Trucks
  - 1 Sewer Pumper Truck
  - 1 Shuttle Bus
  - 2 Pieces of Municipal Non-Road Equipment (Bobcat, Skid Steer Loader)

• **Alternative Fuel Conversion**
  - 1 CNG Refuse Hauler
Connecticut State DERA Projects, *Contd.*

- **Diesel Emissions Controls (Retrofits)**
  - 353 School Buses
  - 181 State Trucks
  - 24 Pieces of Construction Equipment for State Contractors

- **Locomotive Idle Reduction:** 2 Switch Engines

- **Engine Replacements (Repowers), all marine**
  - 2 Ferries
  - 1 River Tow Boat
  - 2 Commercial Fishing Vessels
Process Summary

• Project Solicitation October 3 – November 27, 2018
• 20 proposals received, requesting $1.02M
• 14 Proposals selected, funding $742,000
• Project implementation plans are being finalized for accepted projects
• Project completion by August 31, 2019
• State contracts required for most private grants
Evaluation Criteria

Program Focus:

– Maximize PM2.5 & NOx reduction
  • Annual NOx & PM2.5 Reductions in tons/year
  • Lifetime NOx & PM2.5 Reduced in tons
  • Lifetime Cost Effectiveness $/ton NOx reduced

– Prioritize emission reductions in nonattainment areas and highly impacted areas

– Prioritize emission reductions in EJ communities
Overview of Selected Projects

14 Projects Selected for 2018 funding

• 2 School Bus Projects: total 3 school buses
  – 2 Diesel Buses replaced by Propane Buses
• 3 Marine Repower Projects
• 3 Commercial Truck Projects: total 9 trucks
• 5 Municipal Truck Projects
• 1 Municipal Non-road Equipment Project:
  – 1 backhoe
  – 2 commercial mowers
Summary of Total Benefits

For the 14 selected projects for 2018 State DERA

- Annual NOx Reduction: 8.7 tons
- Lifetime NOx Reduction: 19.0 tons
- Lifetime PM2.5 Reductions: 0.4 tons
- Lifetime CO$_2$ Reductions: 350.5 tons
- Lifetime VOC Reductions: 1.6 tons
- Average Cost Effectiveness, DERA share: $39,033/ton of NOx reduced
2019 State DERA Program

Watch for Announcements in October!
National DERA Solicitation Open

National DERA accepting Proposals NOW

• $40 Million Nationwide
• Highly Competitive
• Significant Reductions in Diesel Emissions
• Particularly in Designated Poor Air Quality Areas
National DERA Solicitation Open

• Eligible Entities include:
  – regional, state, local or tribal agencies/consortia or port authorities with jurisdiction over transportation or air quality and
  – nonprofit organizations or institutions that
    • represent or provide pollution reduction or educational services to persons or organizations that own or operate diesel fleets or
    • have the promotion of transportation or air quality as their principal purpose.
  – School districts, municipalities, metropolitan planning organizations (MPOs), cities and counties
National DERA Solicitation Open

- National DERA accepting Proposals NOW
- Deadline extended to March 26, 2019
- Maximum $1,000,000 for Region 1 (New England)
- Registration through grants.gov, which requires registration before use
- RFP & Information at https://www.epa.gov/cleandiesel

Connecticut Department of Energy and Environmental Protection
Future DERA Grant Programs

• Go to DEEP’s Diesel Grants & Funding Website

• Contact me to sign up for our Clean Diesel Stakeholder email distribution list

• All new State DERA grant programs will be announced on the website and National DERA information forwarded through this email distribution list.
Questions?
Contact Us

E-Mail me: Patrice.Kelly@ct.gov
E-Mail: deep.mobilesources@ct.gov