

Diesel Emission Reduction Act (DERA)  
Funding  
American Recovery and Reinvestment  
Act of 2009

Adam Page

BAQ Planning and Assessment Section

SCDHEC

April 1, 2009

# Diesel Emissions Reduction Act (DERA)

➤ FY 08 DERA Update

➤ Funding under the 2009 American Recovery and Reinvestment Act (ARRA), also known as Stimulus Package

➤ FY 09 DERA



**National Clean Diesel Campaign**

# 2008 DERA – Quick Update

- Deadline for applications was Jan. 9, 2009
- Review committee has completed selection of awards.
- Next steps:
  - Issuing Grant Agreements
  - Press Release to announce recipients

# New Opportunity: Funding for DERA under the American Recovery and Reinvestment Act (Stimulus Package)

- President Obama signed Bill into Law on February 17, 2009
- DERA Final Allocation
  - \$300M for National and State Programs
  - National program -70% and State program - 30%
  - State program matching incentive provision removed
  - Each State receiving about \$1.73 million

# DERA – ARRA Details

- All ARRA of 2009 DERA grants will focus on promoting economic recovery, preserving and/or creating jobs, and reducing diesel emissions
- Grants will have new/different requirements in addition to regular DERA requirements
  - Reporting on job creation/retention
  - More frequent reporting on finances, projects
  - Milestones for expenditures
  - Project/budget period through Sept. 30, 2010
- Grants must be awarded quickly

# South Carolina's Plans for ARRA

- Utilize 50% of the funding for targeted projects throughout the state
- Remaining 50% used for a Competitive Sub-Grant process:
  - Expect to have \$750,000-800,000 available for projects
  - RFP mid April

# FY 09 DERA

- Separate program from ARRA funding
- Very similar to 2008 DERA Expect to receive funds in Fall 09
- Competitive Sub-Grant Process
- Amount available for grants: ~\$250,000 (reoccurring funding-same amounts)



# Why Reduce Diesel Emissions?

- Contributes to serious public health problems:
- Identified as an asthma trigger and a carcinogen
- High NO<sub>x</sub> emissions – critical to reduce to help meet tighter ozone standards.
- Large contributor to PM pollution - reductions will help to meet standards.

# Why Reduce Diesel Emissions? Cont'd

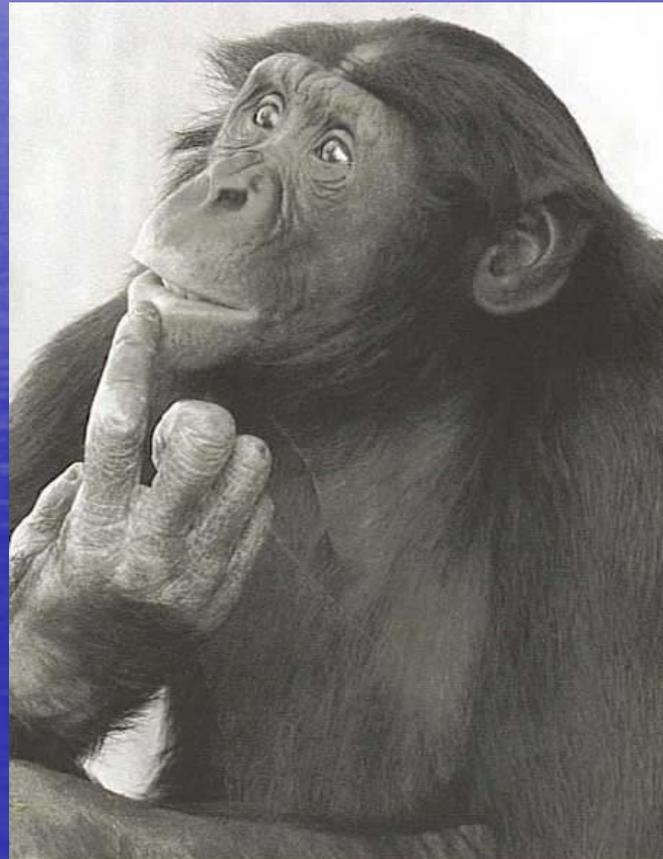
- Children's lungs still developing – more susceptible than healthy adult to exposure.
- Children breath 50% more air per pound of body weight than adults.



# Sub-Grant Process

- Awards based on:
  - ✓ Job Creation/Retention
  - ✓ Matching/In-kind funds
  - ✓ Expected benefits (emissions reductions)
  - ✓ Cost-effectiveness (emissions vs. cost of implementation)
  - ✓ Location of the planned project
  - ✓ Sustainability and innovation

# Who Can Apply?



# Eligible Entities

- Private Organizations
- Universities
- Businesses
- County, City, or other local government



# What Fleets and What Kind of Projects?



# Project Possibilities

- Eligible Fleets and Equipment:
  - Buses, medium-duty or heavy-duty trucks
  - Marine engines or locomotives
  - Off-road engines or vehicles used in construction, agriculture, mining, handling of cargo, or energy production (ex: generator sets)



# Project Possibilities (Contd.)

- Eligible Projects include:
  - Retrofit technologies  
([www.epa.gov/cleandiesel](http://www.epa.gov/cleandiesel) select *Verified technology list*)
  - Engine repowers, rebuilds, or replacements
  - Idle reduction technologies (APUs, Truck Stop Electrification...)
  - Emerging technologies  
([www.epa.gov/cleandiesel](http://www.epa.gov/cleandiesel) select *emerging technology list*)
  - Cleaner Fuels

# Legacy Fleet = Target



# Why Target the Legacy Fleet?

- Although more stringent emissions standards are taking effect for on road and off road engines the "Legacy Fleet" is still in circulation.
- These engines will continue to emit large amounts of pollutants for years to come affecting many areas in our state and their ability to stay in attainment with National Ambient Air Quality Standards.

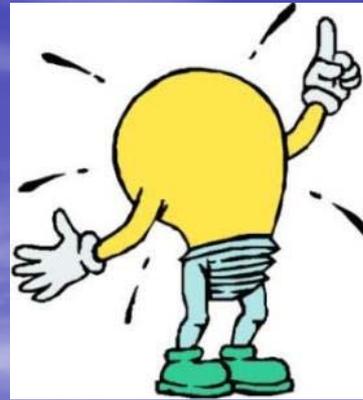
- For example, a 175horsepower bulldozer emits as much particulate matter (PM) as 500 new cars.
- Retrofitted with a DPF – 50 new cars (~90% reduction)



# Things to do Now

- Prepare to implement a clean diesel project quickly and efficiently
- Communicate with potential partners
- Organize fleet information
- Develop budget
- Begin working on application (based on FY 08 DERA RFP)

# Another Tip



- There were no projects requested from the Aiken area last time.
- 2 Opportunities coming:
  - DERA – ARRA opportunity coming in mid April
  - Regular 09 DERA in Fall



# Important Dates – DERA ARRA

- Deadline for Submitting Targeted Project Requests – **April 17, 2009**
- Notification of Funding/Request for Proposals - **Mid April 2009**
- Submittal Deadline - **June 5, 2009**
- Review Committee Selects Awards - **June 2009**
- Announcement of Awards - **July 2009**
- Regular 2009 DERA Funding – **Fall 2009**

# Contacts:

Adam Page

Phone: (803) 898-1423

email: [pageac@dhec.sc.gov](mailto:pageac@dhec.sc.gov)

Nelson Roberts

Phone: (803) 898-4122

email: [robertln@dhec.sc.gov](mailto:robertln@dhec.sc.gov)

Brian Barnes

Phone: (803) 898-7099

email: [barnesbk@dhec.sc.gov](mailto:barnesbk@dhec.sc.gov)

[www.scdhec.gov/dera](http://www.scdhec.gov/dera)