

National Clean Diesel Campaign

Clean Diesel Programs: Overview

Halida Hatic
U.S. EPA New England
April 7, 2008

Northeast
Diesel Collaborative
www.northeastdiesel.org



National Clean Diesel Campaign



Why Clean Diesel?

- Reducing diesel emissions is one of our country's most important air quality challenges
- Millions of diesel engines already in use continue to emit large amounts of nitrogen oxides, particulate matter and air toxics
- These emissions are linked to premature deaths, asthma attacks, lost work days, and other health impacts every year

The Good News

- Cost-effective solutions are available now
- Funding is available too
- How? The National Clean Diesel Campaign – Clean Diesel Programs



www.epa.gov/cleandiesel

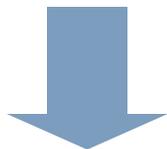


National Clean Diesel Program

\$49.2 Million for 2008

National

\$34.4 Million (70%)



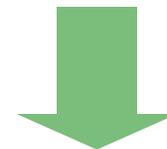
**National Clean Diesel
Funding Assistance Program \$27.6 M**

Clean Diesel Emerging Technologies Program \$3.4 M

National Clean Diesel Finance Program \$3.4 M

State

\$14.8 Million (30%)



State Clean Diesel Grant Program \$14.8 M

State Base

Matching Bonus

National Clean Diesel Campaign

\$49.2 Million for 2008

National Component

\$34.4 Million
(70%)



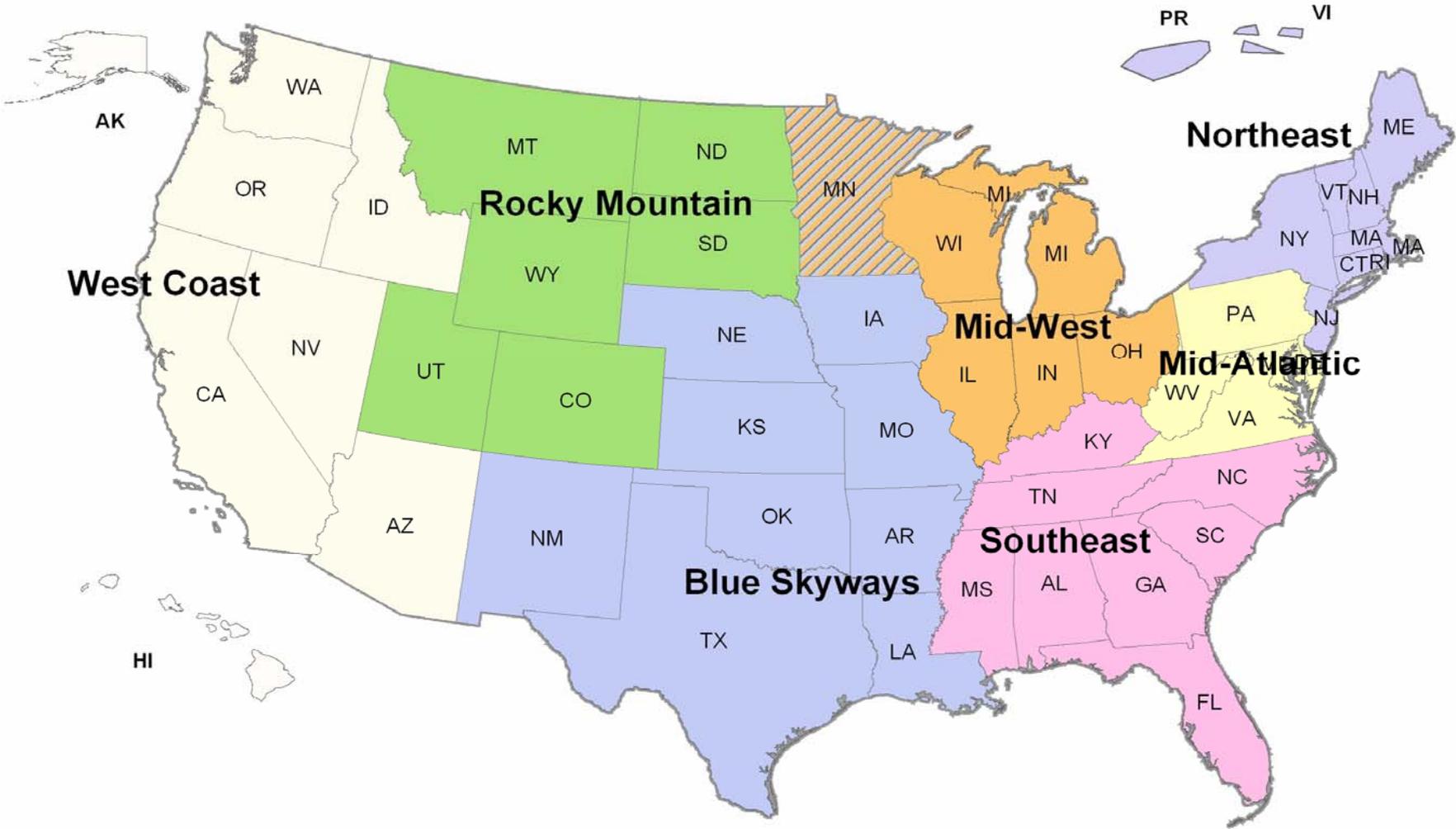
National Clean Diesel Funding Assistance Program
\$27.6 M

National Clean Diesel Finance Program ~\$3.4 M

Clean Diesel Emerging Technologies Program
~\$3.4 M

Competitive grant
process managed
through EPA
regions

Regional Clean Diesel Collaboratives





National Clean Diesel Funding Assistance Program: Eligible Entities

- 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 Clean Diesel Funding Assistance Program: Use of Funds

- Technologies and engines must be verified and/or certified by USEPA or CARB
www.epa.gov/cleandiesel (select *Verified Technology List*)
- Incremental cost of engine replacement (sent to be remanufactured or scrapped), engine repower, engine rebuild

National Clean Diesel Funding Assistance Program: Use of Funds

- Idle Reduction Technologies
 - Electrified Parking Spaces (truck stop electrification)
 - Auxiliary Power Units and Generator Sets
 - Fuel Operated Heaters
 - Battery Heating and Air Conditioning Systems
 - Thermal Storage Systems

<http://www.epa.gov/cleandiesel>
select *Idle Reduction*

National Clean Diesel Funding Assistance Program: Use of funds

- Cleaner fuels
 - Covers incremental costs of cleaner fuel versus conventional diesel fuel
- Finance programs for low-cost revolving loans
 - Regional or state specific programs
 - National programs would apply through the National Clean Diesel Finance Program



National Clean Diesel Funding Assistance Program: Use of Funds

- Cannot fund the cost of emissions reductions mandated under Federal, State or Local law
- Grants are not for emissions testing

National Clean Diesel Funding Assistance Program: Eligible Fleets and Equipment

- Buses
- Medium or heavy duty trucks
- Marine engines
- Locomotives



- Nonroad engine, stationary engine or vehicle used for:
 - Construction
 - Handling of cargo (including at a port or airport)
 - Agriculture
 - Mining
 - Energy production

National Clean Diesel Funding Assistance Program: Priority Projects

Project proposals that align with these priorities will receive higher scores in the evaluation process:

- Maximize public health benefits
- Are the most cost-effective
- Are in areas with high population, air quality issues, and air toxic concerns
- Are in areas that receive a disproportionate quantity of air pollution (i.e. truck stops, ports)
- Maximize the useful life of the engine
- Conserve diesel fuel and utilize ULSD (early introduction of ULSD for nonroad projects)

2008 NEDC Emissions Reduction Request for Proposals

- **\$5.4 million** in grants and innovative financing to significantly reduce diesel emissions and improve public health in EPA Regions 1 and 2
- **Funding Range:** \$50,000 and \$750,000
 - Anticipate most awards will range from \$100,000 to \$500,000
- www.northeastdiesel.org/funding.htm

2008 NEDC Emissions Reduction RFP – IMPORTANT DATES

- Question and Answer Sessions:
 - **April 10:** 10 am to 12 noon
 - **May 7:** 2 pm to 4 pm
 - call-in number: 866-299-3188. Enter Conference Code: 2126373745#
- Intent to Apply (optional): **April 25, 2008**
- Proposals Due: **June 12, 2008**



National Clean Diesel Campaign

\$49.2 Million for 2008

National Component

\$34.4 Million
(70%)



National Clean Diesel Funding Assistance Program
\$27.6 M

National Clean Diesel Finance Program ~\$3.4 M

Clean Diesel Emerging Technologies Program
~\$3.4 M

**Competitive grant
program to
establish
innovative finance
mechanisms**



National Clean Diesel Finance Program: Overview

- Distinct program that seeks national low-cost revolving loans
 - EPA will issue grants to eligible entities to establish loans for fleets anywhere in the U.S.
 - As part of the National Clean Diesel Funding Assistance Program, eligible entities can submit proposals to establish loan programs within a state or region.
- Everything else is the same
 - Same eligible entities
 - Same eligible vehicles & equipment
 - Same priority projects

National Clean Diesel Finance Program: Use of Funds

- Finance Program grants are used to establish loans. The loans must
 - Lower costs to the buyer (e.g., lower interest rate, closing costs, etc); and
 - Any program income generated must be used to further the project's goals which must align with the national clean diesel program goals (e.g., more loans for cleaner vehicles)



National Clean Diesel Campaign

\$49.2 Million for 2008

National Component

\$34.4 Million
(70%)



National Clean Diesel Funding Assistance Program
\$27.6 M

National Clean Diesel Finance Program ~\$3.4 M

Clean Diesel Emerging Technologies Program
~\$3.4 M

**Competitive grant
program to deploy
emerging
technologies not
yet verified**



Clean Diesel Emerging Technologies Program: Overview

~\$3.4 million in FY08

- Separate grant competition from the national funding assistance program
- Program is for projects that will use technologies not yet verified and/or commercialized but on EPA's emerging technology list
- Program does not pay for research and development
- Eligible entities
 - Regional, state, local, tribal or port agency with jurisdiction over transportation or air quality; and
 - Nonprofit organization or institution with jurisdiction over transportation and/or air quality

Clean Diesel Emerging Technologies Program: Manufacturers

- Manufacturers should partner with an eligible entity
- Manufacturers must be on EPA's emerging technologies list prior to grant submission
 - To get on this list, manufacturers must work with EPA to apply for verification and develop a test plan for evaluating their technology

www.epa.gov/cleandiesel
select *Emerging Technologies*

Clean Diesel Programs: Wrap-Up

- Are you an eligible entity?
- Which program applies to you?
- Could you partner with an eligible entity?
- When are applications due?
- What is the best technology for your fleet?

Need more info? www.epa.gov/cleandiesel



National Clean Diesel Campaign

Resources

Northeast Diesel Collaborative

www.northeastdiesel.org

National Clean Diesel Campaign

www.epa.gov/cleandiesel

Contact:

Halida Hatic

hatic.halida@epa.gov

617-918-1680



National Clean Diesel Campaign

Northeast
Diesel Collaborative

www.northeastdiesel.org