

The Diesel Emissions Reduction Act A Smart, Clean Air Investment



What is Diesel Retrofit?

Retrofitting diesel engines is most often used to describe the installation of an exhaust aftertreatment device. More broadly, it refers to one of any five options available to reduce emissions including: refuel (cleaner diesel fuel); rebuild (engine upgrades); repower (new engine); replace (new equipment); and retrofit (emission filters/catalysts).

What are the Benefits?

116 areas around the country are in non-compliance with EPA's particulate matter standard, with this number rising to as many as 326 under the newly proposed standard. On road mobile sources account for only 10% of particulate matter emissions, but by retrofitting, emissions can immediately be reduced by 25-90%.

What is the Diesel Emissions Reduction Act (DERA)?

DERA, Title VII(G) of Public Law 109-58, establishes a voluntary national and state-level grant and loan program to reduce diesel emissions. It passed the Senate last year with strong bipartisan support (92 to 1). Specifically, DERA:

- Authorizes \$1 billion over 5 years (\$200 million annually);
- Authorizes EPA to oversee the expenditure of 70 percent of funds;
- Allocates 20 percent of funds to states to develop retrofit programs with an additional 10 percent as an incentive for states to match federal dollars;
- Establishes project priorities (for public fleets and projects that are more cost-effective and affect the greatest number of people); and
- Includes provisions to stimulate the development of new technologies, encourage more action through non-financial incentives and require program accountability.

Why is funding for diesel emissions reduction needed?

Retrofitting diesel engines provides enormous environmental benefits, yet there are few direct economic incentives for vehicle and equipment owners to do so. Financial incentives offered through DERA will also fund other programs authorized in the Energy Policy Act including Clean School Bus. These financial incentives support voluntary rather than regulatory efforts to meet air quality standards and will help states account for ozone and particulate matter reductions that are required in their State Implementation Plans. Studies of California's Carl Moyer Clean Engine Incentive Program, now in its seventh year, indicate that for every \$1 spent, Californians receive \$13 in health and economic benefits. Additionally, the quick realization of air quality benefits can help alleviate the economic impact of non-attainment and expedite the implementation of local transportation and congestion mitigation projects.

What can you do to support cleaner air in your District?

According to an Environmental Defense study, *Cleaner Air for America*, a program like DERA would produce annual economic and health benefits in the \$10.6 billion to \$19.2 billion range. The EPA estimates that such a program would reduce particulate emissions by 70,000 tons. How often do you find a payoff that big? Funding the Diesel Emissions Reduction Act (DERA) will encourage projects that provide economic benefits and bring quick and locally visible improvements in air quality.

MeetCleanDiesel

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