



DRIVE CLEAN INDIANA

INDIANA CLEAN CITIES



Program Summary:

Environmental Protection Agency (EPA)

22/23 Diesel Emissions Reduction Act (DERA) National Grants

RFA Open Date: ~August 2, 2023
Applications Due: ~December 1, 2023
Award Notification: ~March 2024
Project Start Date: July 1, 2024
Project Period: 24-48 Months

Background:

- **What it is:**

The 2023 Diesel Emissions Reduction Act (DERA) National Grant is a competitive funding opportunity for projects that achieve reductions in diesel emissions from mobile sources.

- **Funding available:**

Nationally approximately \$115 million in funding will be made available.

- **How your company can benefit:**

Public and private fleets can partner with eligible entities to submit applications resulting in the implementation of emissions reduction technologies.

Funding Priority Areas:

- Fleets operating in areas of poor air quality.
- Fleets that service goods movement facilities.

- Projects that benefit affected communities.
- Fleets that engage affected communities in the design and performance of the project.
- Projects that demonstrate the ability to promote and continue efforts to reduce emissions after the project conclusion.
- Applications which demonstrate the ability to protect grant funded investments from severe weather events.
- Evaluation criteria points will be given to applications that demonstrate plans and activities to prepare their workforce for the project.

Eligible Equipment Types of Note:

Medium-duty or heavy-duty trucks	Includes diesel powered medium-duty and heavy-duty highway vehicles with gross vehicle weight rating (GVWR) as defined below: Class 5 (16,001 -19,500 lbs. GVWR); Class 6 (19,501 - 26,000 lbs. GVWR); Class 7 (26,001 - 33,000 lbs. GVWR); Class 8 (33,001 lbs. GVWR and over)
Nonroad engines, equipment or vehicles	Includes diesel powered engines, equipment and vehicles used in construction, handling of cargo (including at ports and airports), agriculture, mining, or energy production (including stationary generators and pumps).

- Drayage Trucks – any class 8 highway truck associated with ports.
- Port Handling Equipment – Large Material Handlers that can be electrified will be prioritized.

Eligible Diesel Emissions Reduction Solutions:

- Vehicle and Equipment Replacements – must be EPA / CARB certified as applicable
- Engine Replacements
- Verified Idle Reduction Technologies
 - See full SmartWay Verified Technologies list.
 - Samples:
 - APU and gensets, Battery AC systems, Thermal Storage, Fuel operated heaters, Electrified Parking Spaces.
- Verified Retrofit Technologies:
 - Diesel Oxidation Catalysts, Diesel Particulate Filters, Closed Crankcase Filtration Systems, Selective Catalytic Reduction Systems
- Clean Alternative Fuel Conversion
 - For 2006 and newer model year engines, must achieve specified emission reduction targets. Alternative fuel examples include propane and natural gas.
- Verified Aerodynamic Technologies and Verified Low Rolling Resistance Tires
- Certified Remanufacture Systems

Project Eligibility Criteria (Onroad)

Current Engine Model Year (EMY)	DOC +/- CCV	DPF	SCR	Verified Idle Reduction, Tires, or Aero-dynamics	Vehicle or Engine Replacement: EMY 2021+ (2017+ for Drayage)	Vehicle or Engine Replacement: EMY 2021+ Zero Emission ² or Low-NOx ³	Clean Alternative Fuel Conversion
older - 2006	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2007 - 2009	No	No	Yes	Yes ¹	Yes	Yes	Yes
2010 - newer	No	No	No	Yes ¹	No	Yes	Yes

Project Eligibility Criteria (Offroad)

Current Engine Tier	Vehicle/Equipment Replacement					Verified Retrofit
	Compression Ignition			Spark Ignition	Zero Emission ³	
	Tier 0-2	Tier 3-4i	Tier 4	Tier 2		
Unregulated – Tier 2	No	Yes ¹	Yes	Yes	Yes	Yes
Tier 3	No	No	Yes	Yes	Yes	Yes
Tier 4	No	No	No	No	Yes	No
Current Engine Tier	Engine Replacement					Verified Engine Upgrade
	Compression Ignition			Spark Ignition	Zero Emission ⁴	
	Tier 0-2	Tier 3-4i	Tier 4	Tier 2		
Unregulated – Tier 2	No	Yes ²	Yes	Yes	Yes	Yes
Tier 3	No	No	Yes	Yes	Yes	Yes
Tier 4	No	No	No	No	Yes	No

Anticipated Funding Available by Region:

Region	Total Anticipated Funding Per Region	Maximum Federal Funding Request Per Application
1	\$6,200,000	\$2,000,000
2	\$11,400,000	\$3,500,000
3	\$11,900,000	\$3,500,000
4	\$11,800,000	\$2,500,000
5	\$13,900,000	\$4,000,000
6	\$14,000,000	\$3,000,000
7	\$8,000,000	\$3,500,000
8	\$9,700,000	\$3,000,000
9	\$22,200,000	\$4,500,000
10	\$6,200,000	\$1,500,000
TOTAL	\$115,300,000	-

- Between 4 and 10 cooperative agreements per EPA region are funded based on quantity, quality and availability of funds.

Relevant Cost Share Details

Eligible Technologies	EPA Funding Limit	Mandatory Cost Share
Drayage Truck Replacement	50%	50%
Vehicle or Equipment Replacement with EPA Certified Engine	25%	75%
Vehicle or Equipment Replacement with CARB Certified Low NOx Engine	35%	65%
Vehicle or Equipment Replacement with Zero-tailpipe Emission Power Source	45%	55%
Engine Replacement with EPA Certified Engine	40%	60%
Engine Replacement with CARB Certified Low NOx Engine	50%	50%
Engine Replacement with Zero-tailpipe Emission Power Source	60%	40%
EPA Certified Remanufacture Systems	100%	0%
EPA Verified Highway Idle Reduction Technologies when combined with new or previously installed exhaust after-treatment retrofit	100%	0%
EPA Verified Highway Idle Reduction Technologies without new exhaust after-treatment retrofit	25%	75%
EPA Verified Locomotive Idle Reduction Technologies	40%	60%
EPA Verified Marine Shore Connection Systems	25%	75%
EPA Verified Electrified Parking Space Technologies	30%	70%
EPA Verified Exhaust After-treatment Retrofits	100%	0%
EPA Verified Engine Upgrade Retrofits	100%	0%
EPA Verified Hybrid Retrofit Systems	60%	40%
EPA Verified Fuel and Additive Retrofits when combined with new retrofit, upgrade, or replacement	Cost differential between conventional diesel fuel	Cost of conventional diesel fuel
EPA Verified Aerodynamics and Low Rolling Resistance Tires when combined with new exhaust after-treatment retrofit	100%	0%
Alternative Fuel Conversion	40%	60%

Process of Application:

Drive Clean Indiana will be your partner in the application process. As the applicant, we will work with you to identify equipment that you are interested in replacing, retrofitting, or updating. Once identified data will be collected to meet grant application requirements. A narrative application and associated documentation will be created and loaded to the electronic federal portal prior to any relevant deadlines. Once a project is approved and awarded; we will work with you to complete any reporting requirements, provide company and community education / outreach to share project benefits, and work to promote the positive benefits achieved.

Equipment Replacement Process: Notification of award and grant documentation will be signed off on. New equipment will be ordered and delivered. Then we will scrap the old piece of equipment by documenting the 3" hole in the engine block. New equipment will be paid for/installed, and all relevant costs must be proven. Then we will submit for reimbursement in a timely manner.