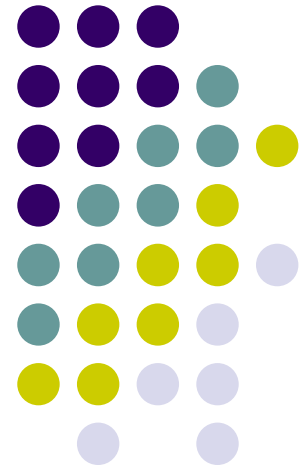


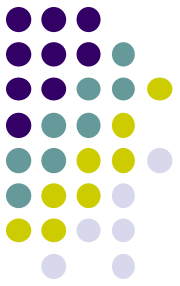
# Diesel Emissions Reduction Act (DERA)

## 2021 Tribal and Insular Area Program Webinar

Faye Swift, Stephanie Watson, and Lucita Valiere  
EPA Office of Transportation and Air Quality



# Diesel Emissions Reduction Act (DERA)



## Agenda



Overview of DERA



DERA Grant and Rebate Programs



2021 DERA Tribal and Insular Area Program



Evaluation Process and Criteria



VW Mitigation Trust – DERA



Timeline and Important Dates



Next Steps and Resources

# Diesel Emissions Reduction Act (DERA)



## Overview of DERA

- Despite EPA's diesel engine and fuel standards for new engines, nearly ten million legacy diesel engines are still in use.
- Diesel engines continue to emit large amounts of Nox, PM2.5, and other pollutants, which contribute to serious public health problems.
- DERA permits EPA to offer funding to accelerate upgrade and turnover of legacy diesel fleets.
- Funding opportunities are provided by through an annual appropriation by Congress to DERA and subject to the availability of funds, the quality of applications received, and other considerations.
- DERA supports environmental justice by prioritizing emissions reductions in areas receiving disproportionate impacts.
- DERA has four grant and rebate program funding opportunities:



State Grants



School Bus  
Rebates



National Grants

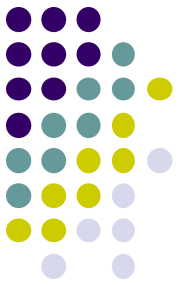


Tribal and Insular  
Area Grants

*Reducing emissions from diesel engines is one of the most important air quality challenges facing the country.*



# Diesel Emissions Reduction Act (DERA)



## Overview of DERA

### State Grants



- EPA allocates DERA funds to eligible U.S. states and territories for the establishment of diesel emissions reduction programs.
- Timeline: Spring
- Insular Areas Eligible? YES

<https://www.epa.gov/dera/state>

### School Bus Rebates



- EPA offers rebates to eligible entities reduce harmful emissions from older, dirtier diesel vehicles.
- Timeline: Fall
- Tribes/Insular Areas Eligible? YES

<https://www.epa.gov/dera/rebates>

### National Grants



- Program solicits applications for projects that achieve significant reductions in diesel emissions and exposure, particularly from fleets operating in designated poor air quality areas.
- Timeline: Winter
- Tribes/Insular Areas Eligible? YES

<https://www.epa.gov/dera/national>

### Tribal and Insular Area



- Program solicits applications from eligible entities that achieve significant reductions in diesel emissions and exposure.
- Timeline: Spring
- Tribes/Insular Areas Eligible? YES

<https://www.epa.gov/dera/tribal>



# Diesel Emissions Reduction Act (DERA)

## Tribal and Insular Area Grants

- Recognizing that tribes and insular areas have various administrative, technical, and financial considerations that other National grant program applicants may not, EPA has established a separate funding opportunity with flexibilities to address the unique considerations of tribal and insular area applicants so they can compete for DERA funds and implement diesel emissions reduction projects.
- Although funds will be competed under a single RFA, tribal applicants will only compete against tribal applicants, and insular areas will compete against other insular area applicants.



School Bus  
Rebates



State Grants



National  
Grants



Tribal and  
Insular Area  
Grants



# Diesel Emissions Reduction Act (DERA)

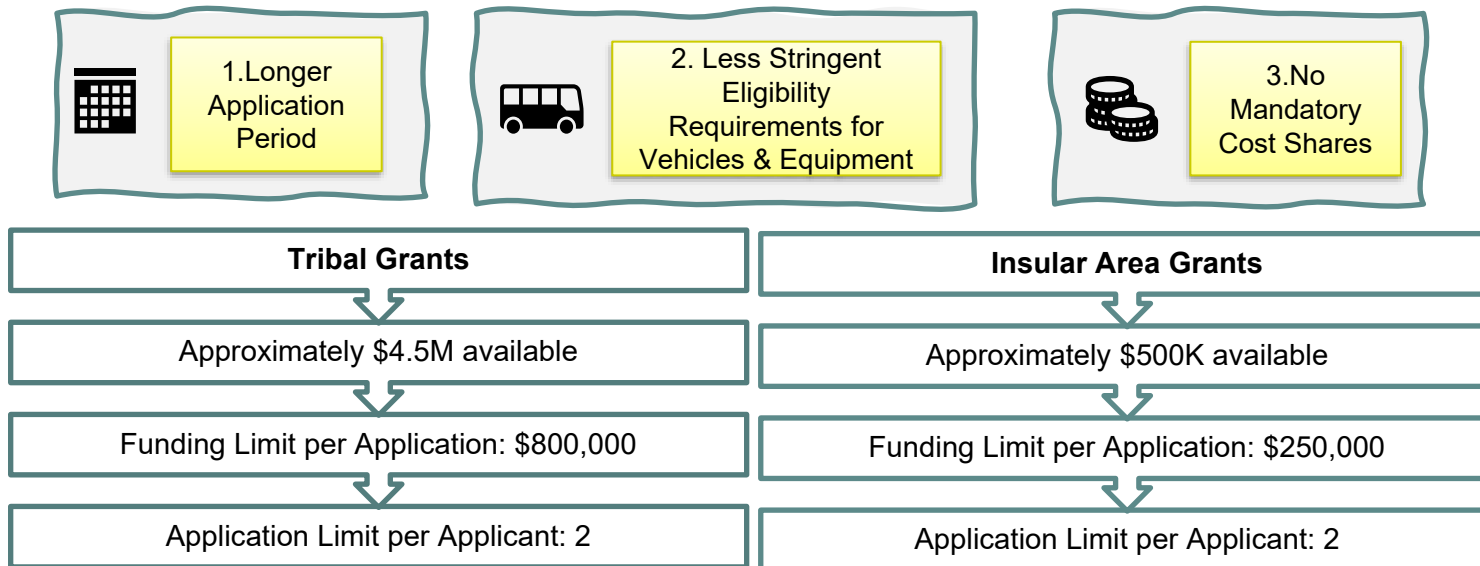
RFA Available at [www.epa.gov/dera/tribal](http://www.epa.gov/dera/tribal) | RFA Opened: April 28, 2021 | RFA Closes: July 9, 2021

## 2021 Tribal and Insular Area Program Overview

### WHO CAN APPLY?

Eligible entities include tribal governments (or intertribal consortia) and Alaska Native villages, or insular area government agencies which have jurisdiction over transportation or air quality. **Although private fleet owners are not eligible to apply directly to EPA for DERA funding, both public and private fleets can benefit from the programs implemented by DERA grant recipients.**

The following variations from the National program will hopefully encourage competition from tribes and insular areas:



As defined in 48 U.S.C. §1469a, "Insular Area" includes the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.



# Diesel Emissions Reduction Act (DERA)

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## 2021 Tribal and Insular Area Program Overview Eligible Vehicles, Engines & Equipment



### School Buses

- Includes **diesel powered school buses** of Type A, B, C and D. To be eligible as a school bus, a vehicle should **meet the definition of a school bus as defined by the National Highway Transportation Safety Administration.**

### Medium-duty or heavy-duty trucks

- Includes **diesel powered highway vehicles** with gross vehicle weight rating (GVWR) including Class 5 – 8 (16,001 lbs GVWR and over)

### Nonroad engines, equipment or vehicles

- Diesel powered nonroad engines, equipment and vehicles including, but not limited to, those used in **construction, handling of cargo (including at ports and airports), agriculture, mining, or energy production (including stationary generators and pumps).**

### Transit Buses

- Includes **diesel powered medium-duty and heavy-duty transit buses.**

### Marine Engines

- Includes **diesel powered Category 1, 2, and 3 marine engines and vessels.**

### Locomotives

- Includes **diesel powered line-haul, passenger, and switch engines and locomotives.**



# Diesel Emissions Reduction Act (DERA)

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## 2021 Tribal and Insular Area Program Overview Ownership, Usage, and Remaining Life



1

The existing vehicle, engine, or equipment must be **fully operational**.

2

**Participating fleet owner** must currently own and have owned and operated vehicle(s) or equipment(s) during the **two years prior to upgrade**.

3

The existing vehicle, engine, or equipment must have **at least two years of remaining life** at the time of upgrade.

4

**School Buses:** Must have at least **5,000 miles/year for Tribes or 1,000 miles/year for Insular Areas** during the two years prior to upgrade, or during calendar year 2019.

5

**All Other Highway Engines:** Vehicles must have at least **5,000 miles/year for Tribes or 1,000 miles/year for Insular Areas** during the two years prior to upgrade.

6

**Agricultural Pumps:** Must have operated at least **250 hours per year** during the two years prior to upgrade.

7

**All Other Nonroad Engines:** Nonroad engines must operate at least **300 hours per year** during the two years prior to upgrade.

8

**Locomotive and Marine:** Locomotive and marine engines must operate at least **500 hours per year** during the two years prior to upgrade.

9

**Documentation:** Participating fleet owners must attest to each criterion in above in a **signed eligibility statement**.

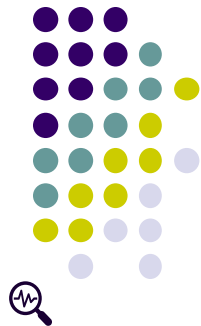




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## 2021 Tribal and Insular Area Program Overview Eligible Upgrades



Vehicle or Equipment Replacement with EPA Certified Engine
Vehicle or Equipment Replacement with CARB Certified Low NOx Engine
Vehicle or Equipment Replacement with Zero-tailpipe Emission Power Source
Engine Replacement with EPA Certified Engine
Engine Replacement with CARB Certified Low NOx Engine
Engine Replacement with Zero-tailpipe Emission Power Source
Certified Remanufacture Systems
Highway Idle Reduction Technologies when combined with new or previously installed exhaust after-treatment retrofit
Highway Idle Reduction Technologies without new exhaust after-treatment retrofit
Locomotive Idle Reduction Technologies
Marine Shore Connection Systems
Electrified Parking Space Technologies
Exhaust After-treatment Retrofits
Engine Upgrade Retrofits
Hybrid Retrofit Systems
Fuel and Additive Retrofits when combined with new retrofit, upgrade, or replacement
Aerodynamics and Low Rolling Resistance Tires when combined with new exhaust after-treatment retrofit
Alternative Fuel Conversion



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## 2021 Tribal and Insular Area Program Overview Eligible Upgrade Summary



### Medium and Heavy-Duty Truck, Transit Bus, and School Bus Project Eligibility

- 2009 and older may be replaced with EMY 2016+ diesel, alternative fuel, or zero emission technology
- 2010 and newer may be replaced with zero emission or low NOx technology
- Some engines are eligible for retrofits, idle reduction technologies, alternative fuel conversions, and tires and aerodynamics

### Nonroad Engine Project Eligibility

- Tier 4 may be replaced with zero emission
- Tier 3 may be replaced with Tier 4 or zero emission
- Tier 2 and lower may be replaced with Tier 4 or zero emission.
  - Tier 1, Tier 2, Tier 3 and Tier 4i vehicles, equipment, and engines may be used for replacement only if Tier 4 is demonstrated to not be available or feasible through a best achievable technology analysis
  - This analysis is not required at the time of grant application submittal
- Costs for engineering analysis may be included in the project budget



# Diesel Emissions Reduction Act (DERA)

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## 2021 Tribal and Insular Area Program Overview Eligible Upgrade Summary...continued



### Marine and Locomotive Engine Project Eligibility

- Tier 4 engines may not be replaced
- Tier 3 and lower may be replaced with Tier 4 or zero emission.
  - Tier 1, Tier 2, Tier 3 and Tier 4i vehicles, equipment, and engines may be used for replacement only if Tier 4 is demonstrated to not be available or feasible through a best achievable technology analysis
  - This analysis is not required at the time of grant application submittal. Costs for engineering analysis may be included in the project budget.
- Tier 3 and lower, some engines are eligible for retrofits, certified remanufacture systems and verified engine upgrades
- Marine and locomotive shore power are eligible idle reduction projects



# Diesel Emissions Reduction Act (DERA)

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## 2021 Tribal and Insular Area Program Overview Best Achievable Technology



**Applicant Requirements:** Applicants replacing nonroad, marine, and locomotive engines must commit to using the best achievable diesel technology for the project.



**Analysis Requirement:** If selected for funding, applicants will be required to submit a best achievable technology analysis to EPA for approval before Tier 1, Tier 2, Tier 3 or Tier 4i vehicles, equipment, or engines can be purchased, as defined below.

Using good engineering judgment, the analysis must determine that the lower tiered engine is the best achievable technology for the project.

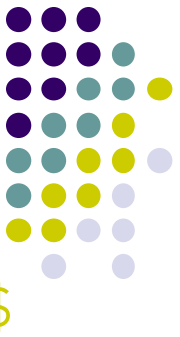
Costs for engineering analysis may be included in the project budget.



# Diesel Emissions Reduction Act (DERA)

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## 2021 Tribal and Insular Area Program Overview Funding Restrictions



DERA funds cannot be used for the following activities:

Federal matching funds

Expenses incurred prior to the project period

Emissions testing

Fueling infrastructure

Federally mandated measures

Leasing

Fleet Expansion (*Note: scrappage is required*)

Replacement retrofit technologies

Eligible and ineligible project costs are defined further in the 2021 RFA



# Diesel Emissions Reduction Act (DERA)

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## 2021 Tribal and Insular Area Program Overview Application Evaluation Process



### Step 1: Threshold Criteria Review

Applicant must meet threshold criteria to move on to Step 2

Application Submission	Align with EPA Priorities	Eligible Activities	Below Funding Limit	$\leq 2$ Applications	Eligible Applicant
------------------------	---------------------------	---------------------	---------------------	-----------------------	--------------------

### Step 2: Evaluation Criteria

Evaluation criteria noted below (points assigned to each)

#### Criteria

Project Summary and Approach

Project Location

Environmental Justice

Project Sustainability

Environmental Results – Outputs, Outcomes, and Performance Measures

Programmatic Capability and Past Performance

Budget

Applicant Fleet Description



# Diesel Emissions Reduction Act (DERA)

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## VW Environmental Mitigation Trust – DERA Option

The U.S. government and Volkswagen (VW) resolved allegations that VW violated the Clean Air Act by selling approximately 590,000 vehicles equipped with defeat devices. Under this settlement, among other actions, VW is required to provide ~ \$3 billion to remediate the excess NOx emissions from the affected vehicles.

Wilmington Trust administers the fund:

<http://www.vwenvironmentalmitigationtrust.com>

Tribal entities that select the DERA Option must be certified beneficiaries to the Tribal Trust Agreement (Section 2.1.2). VW funds **can be** used for the non-federal voluntary match of an eligible project under the Tribal DERA program.







# Diesel Emissions Reduction Act (DERA)

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## 2021 Tribal and Insular Area Program Overview Timeline and Important Dates



TRIBAL & INSULAR AREA RFA	
April 28 <sup>th</sup>	RFA Opens
May 12 <sup>th</sup>	Webinar #1 @1PM EST
May 18 <sup>th</sup>	Webinar #2 @3PM EST
May 20 <sup>th</sup>	Webinar #3 @5PM EST
June 25 <sup>th</sup>	Q&A Deadline @12PM EST
	
July 9 <sup>th</sup>	RFA Closes @11:59PM EST
August 13 <sup>th</sup>	Notification of Selections
	

VW DEADLINES	
	
June 30 <sup>th</sup>	Trustee submits Notice of Allocation to Beneficiaries
	
August 30 <sup>th</sup>	Deadline for Beneficiary EMA Certification

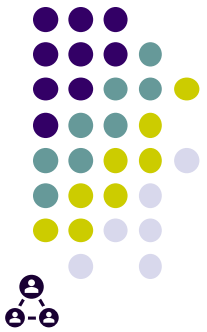




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## 2021 Tribal and Insular Area Program Overview Next Steps



1. Visit the DERA  
Tribal and Insular  
Area Website for  
Tools & Resources

2. Register your  
Organization with  
Grants.gov

3. Prepare  
Application Package

4. Submit  
Application Package  
on Grants.gov by  
July 9<sup>th</sup> at 11:59PM  
EST

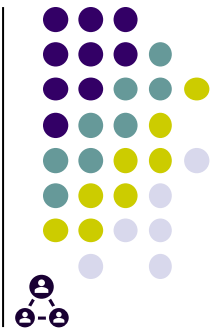
**RFA**  
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**April 28,**  
**2021**  
  
**RFA**  
**Closes:**  
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## 2021 Tribal and Insular Area Program Overview Next Steps



### 1. Visit the DERA Tribal and Insular Area Website for Tools and Resources

- Request for Applications #EPA-OAR-OTAO-21-07 (PDF)
- Sample Project Narrative (WORD)
- Sample Applicant Fleet Description (Excel)
- Priority Area List
- Sample Scrappage Statement
- Sample Eligibility Statement
- TRU Factsheet
- VW Factsheet for Tribes
- Questions and Answers

**RFA**  
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**April 28,**  
**2021**

**RFA**  
**Closes:**  
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# Diesel Emissions Reduction Act (DERA)

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## 2021 Tribal and Insular Area Program Overview Next Steps



### 2. Register your Organization with Grants.gov

- **ALL** DERA applications must be submitted electronically via [www.grants.gov](http://www.grants.gov)
- If not currently registered with Grants.gov, designate an Authorized Organization Representative (AOR) and **begin the registration process as soon as possible.**
- Minor problems with application submittal are NOT uncommon. Grants.gov offers 24-hour support. The registration process requires that your organization have a DUNS number and a current registration with the System for Award Management (SAM) and the process of obtaining both **could take several weeks.**

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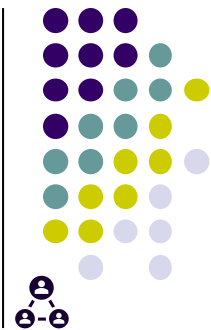
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## 2021 Tribal and Insular Area Program Overview Next Steps



### 3. Prepare Application Package

- Project Narrative Workplan (Word or PDF)
- Application Fleet Description (Excel)
- Quantify Emission Results (DEQ)
- Application for Federal Assistance (SF-424)
- Budget Information for Non-Construction Programs (SF-424A)
- Assurances for Non-Construction Programs (SF-424B)
- EPA Form 4700-4
- EPA Key Contacts Form
- If applicable, Cost Share Commitment & Partnership Letters
- If applicable, Mandated Measures Justification Supporting Info
- Other documents, as appropriate

**RFA**  
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**April 28,**  
**2021**

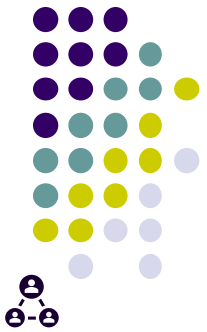
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### 4. Submit Application Package on Grants.gov by July 9<sup>th</sup> at 11:59PM EST



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## Resources and Tools

### 2021 DERA Tribal and Insular Area Program Information

- Visit the DERA RFA coming soon website for tools, references, and examples (<https://www.epa.gov/dera/tribal>)
  - Submit questions via email to [DERA@epa.gov](mailto:DERA@epa.gov)
- Visit Grants.gov to start preparing required steps for your application submission

**RFA**  
**Opened:**  
**April 28,**  
**2021**

**RFA**  
**Closes:**  
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### VW Environmental Mitigation Trust – EMA #10: DERA Option

- EPA Office of Enforcement & Compliance (OECA) for Consent Decree and Trust Agreement [www.epa.gov/enforcement/Volkswagen-clean-air-act-civil-settlement](http://www.epa.gov/enforcement/Volkswagen-clean-air-act-civil-settlement)
- EPA Office of Transportation & Air Quality (OTAQ) for DERA Option <https://www.epa.gov/dera/volkswagen-vw-settlement-dera-option>
- Institute for Tribal Environmental Professionals (ITEP) for Technical Assistance <http://www7.nau.edu/itep/main/Home/>
- Tribal Environmental Professionals Volkswagen Settlement <http://www7.nau.edu/itep/main/volkswagensettlement/>



# Thank You!

## 2021 DERA Tribal and Insular Area RFA Webinar

**RFA Opened:** April 28, 2021 | **RFA Closes:** July 9, 2021

For additional information, please visit

<https://www.epa.gov/dera/tribal>

If we are unable to answer your question at this time, we will list all questions and answers in the Q and A document available at

[www.epa.gov/dera/tribal#q&a](https://www.epa.gov/dera/tribal#q&a)

Presentation materials will be available at

[www.epa.gov/dera/tribal#presentation](https://www.epa.gov/dera/tribal#presentation)

