

Diesel Emissions Reductions Program

Here is an outline of how EPA could utilize \$1.5 billion to further implement the Diesel Emissions Reduction Program (DERA). EPA would distribute this funding through into two separate programs under DERA. The first program would support broad DERA priorities and strategies. The second program would support a National Environmental Loan Program for trucks. Elements of these programs would be phased over three time periods: 90 days, 180 days, and 365 days. The timing assumes EPA would use up to 3% of appropriated funds to cover administrative expenses.

Broad DERA priorities and strategies

- 1) 90 Days: Uses \$550 million to support broad DERA priorities and strategies.
 - Follows the requirements in DERA to implement clean diesel programs under the National and State components.
 - Last year with \$50 million appropriated, funding requests exceeded availability by 5 to 1, which demonstrates a clear national need to utilize this funding.
 - The 90-day timeline assumes an expedited grants solicitation/award process.

National Environmental Loan Program

- 2) 180-days: Award an additional \$200 million for a National Environmental Loan Program for individual truck owners and small and medium-sized truck fleets to secure low-cost financing for cleaner, more efficient trucks, consistent with the provisions and priorities in DERA.
- 3) 365 days: Award an additional \$750 million to be used to create a more substantial National Environmental Loan Program, also targeted to individual truck owners and small and medium-sized truck fleets.

Full Program Implementation

- 4) September 10, 2010: All funds would be awarded and clean diesel projects and loan programs would be well established. Purchases of new pollution-controlling technologies, upgraded cleaner trucks and greener diesel vehicles and equipment of all kinds would be stimulating the U.S. economy and continuing to create new jobs. EPA would be tracking the use of funds to measure program performance.