

## Clean Diesel Repower Incentives Grants

The State of Oregon helps with incentives to repower older diesel engines.

*Oregonians interested in reducing harmful emissions from their heavy duty diesel engines may qualify for financial assistance with help from the State of Oregon.*

### What is a “Repower?”

Repower means replacing an older, higher polluting engine with a less polluting new, used, or remanufactured engine, or with electric motors, electric drives, or fuel cells. The older engine is then scrapped and rendered inoperable.

### Background

Diesel is the dominant fuel used by the commercial transportation sector. Diesel engines also power most non-road equipment such as construction, agricultural, marine and locomotives.

While diesel engines offer fuel economy, power and durability, diesel emissions are a major contributor to unhealthy levels of fine particles and ozone (or “smog”) as well as air toxics. Fine particles have been associated with an increased risk of premature death, hospital admissions for heart and lung disease, increased adverse respiratory symptoms such as asthma, and other adverse effects. Long-term exposure to diesel exhaust may pose a lung cancer hazard to humans.



*Off-road or highway vehicles qualify for a federal repower grant.*

Diesel emission reductions represent one of the most important opportunities to achieve rapid and cost-effective health and environmental benefits in Oregon.

The techniques and technologies to reduce diesel emissions range in cost and application and include cleaner fuels (cleaner diesel and biodiesel), anti-idling programs, exhaust catalysts and other emission control technologies, the Fleet

Forward program, and even including repowering old engines.

### Qualifying Repower

Federal grant may support repowers in a variety of circumstances. Each project solicitation is designed to meet specific program goals that may change over time. For the most recent notice, see <http://www.epa.gov/air/grants/rfp-epa-oar-otaq-11-01.pdf>.

These grants can be very competitive and the odds of securing a grant can be long. Nonetheless, DEQ is committed to assisting every Oregon grant applicant in preparing the strongest application possible for their project. We can provide strategy review, project design, partner recruitment assistance, data analysis, grant writing and even in some cases apply for and manage the grant on your behalf.

For projects where DEQ is the grant administrator, specific state requirements apply. A qualifying repower in this case:

- Replaces an older scrapped nonroad diesel engine;
- Reduces diesel particulate matter emissions by at least 25 percent;
- May be:
  - A new engine
  - A used engine
  - A remanufactured engine
  - Electric motors
  - Electric drives
  - Fuel cells
- Will be used nonroad in Oregon three years following the repower at least 50 percent of the total miles driven or hours operated;
- Must be installed by a Qualified Installer;
- Meets the cost effectiveness threshold of reducing diesel particulate matter pollution at a cost less than \$250,000 per ton of diesel particulate matter reduced;
- Was installed after September 28, 2007; and
- Has a minimum useful life of seven years.



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**Eligible costs**

Eligible costs include the repower equipment, supplies directly related to the installation of the repower equipment, and installation labor. The amount of any estimated rebuilding or repair will be deducted from the certified cost of the project.

For grants, eligible costs exclude any work completed prior to signing a grant agreement.

**Cost effectiveness threshold**

The cost effectiveness threshold is \$250,000 per ton of diesel particulate matter reduced. DEQ will only grant funds for the costs under the cost effectiveness threshold. The application includes a spreadsheet for calculating the cost effectiveness threshold of your repower(s).

**Qualified installers**

The repower must be installed by a qualified installer, which is defined as either:

1. A Clean Diesel Service Provider listed on the Clean Diesel Web page, or
2. An employee of the applicant, if the applicant and vendor of the repower technology both

verify that the employee will install the repower to meet warranty conditions and possesses the necessary skill to install the repower correctly.

**The West Coast Collaborative**

EPA's partnership program to support clean diesel efforts with additional funding resources and technical information:

<http://westcoastcollaborative.org/>

**SmartWay Transport**

Are you in the freight movement industry and want to know more about fuel saving advances and how they can make a difference in your business? Visit EPA's Smart Way Transport program: <http://www.epa.gov/smartway/>.

**Alternative formats**

*Alternative formats (Braille, large type) of this document can be made available. Contact DEQ's Office of Communications & Outreach, Portland, at 503-229-5696, or toll-free in Oregon at 1-800-452-4011, ext. 5696.*