



## State Grants: Diesel Emissions Reduction Act (DERA)

### Background

EPA allocates DERA funds to eligible U.S. states and territories for the establishment of diesel emissions reduction programs.

Using the formula outlined in the [Energy Policy Act of 2005 \(pdf\)](#) (3.16 MB, August 2005), the State Grants are allocated 30 percent of the annual DERA appropriation. Of the state portion of the funding, two-thirds is provided to participating states and territories as base funding. The remaining third is allocated as an incentive to those states and territories that voluntarily provide a match equal to the base funding.

DERA State Grants funding for 2024 will be distributed as a supplemental amendment to 2023 DERA State Grants. States and territories that did not participate in the 2023 DERA State Grants that choose to participate in the 2024 DERA State Grants will receive funding as a new grant award.

**Note: States intending to use Volkswagen mitigation funds for the DERA Option in the VW partial settlement should review the [DERA Option Factsheet \(pdf\)](#) ( 311 KB, April 2019, EPA-420-F-19-042).**

### [2023-2024 Funding Schedule](#)

| Activity   | FY 2023 Dates  | FY 2024 Dates  |
|--|--|--|
| EPA sends all eligible states the 2023-2024 program materials  | Thursday, July 6, 2023   | Tuesday, August 27, 2024   |
| 2023-2024 DERA States Grants Overview Webinar  | Held on Thursday, July 13, 2023 at 4PM EST <ul style="list-style-type: none"><li><a href="#">2023-2024 DERA States Grants Overview Webinar Recording</a></li><li><a href="#">2023-2024 DERA State Overview (pdf)</a> (422.6 KB, July 2023)</li></ul> | <b>2024 DERA State <a href="#">Webinar</a>:</b><br>Thursday, August 29, 2024 (4:00PM – 5:00PM ET)<br><b>Meeting ID:</b> 248 622 277 369<br><b>Passcode:</b> PqdKpR |
| Deadline for states and territories to submit 2023-2024 Notice of Intent to Participate (NOIP) to EPA via email ( <a href="mailto:DERA@epa.gov">DERA@epa.gov</a> ) | Friday, July 21, 2023  | Tuesday, September 10, 2024  |

| Activity   | FY 2023 Dates                 | FY 2024 Dates                 |
|--|-------------------------------|-------------------------------|
| EPA will inform the states of their final allocations via email.   | Wednesday, July 26, 2023      | Tuesday, September 17, 2024   |
| Deadline for states to submit Workplan and Budget Narrative and Fleet Description to their EPA Regional Office for review      | Tuesday, August 8, 2023       | Tuesday, October 8, 2024      |
| Deadline for states and territories to submit their application package to <a href="https://www.epa.gov/grants">Grants.gov</a> | Tuesday, August 22, 2023      | Friday, November 8, 2024      |
| Deadline for 2023-2024 projects to be completed  | Wednesday, September 30, 2026 | Wednesday, September 30, 2026 |
| Project period for 2023-2024 awards begin  | Sunday, October 1, 2023       | Sunday, December 1, 2024      |

Note: This schedule is subject to change, updated guidance will be provided directly to state and territory contacts, as needed.

#### 2023-2024 DERA State Grants Program Documents

- 📄 [2023-2024 DERA State Grants Program Guide \(pdf\)](#) (869.9 KB, August 2024, EPA-420-B-24-041)
- 📄 [2023-2024 DERA State Grants Notice of Intent to Participate \(docx\)](#) (437.9 KB, August 2024)
- 📄 [DERA Supplemental Application Template \(xlsx\)](#) (973.2 KB, April 2024, Burden Statement for EPA Form: 5900-681)
- 📄 [DERA Scrappage Statement \(pdf\)](#) (1005.2 KB, April 2024, Expiration Date: 04/30/2027, Burden Statement for EPA Form 5900-688)
- 📄 [DERA NOFO Sample Drayage Guidelines \(pdf\)](#) (199 KB, March 2024, EPA-420-B-24-021)
- 📄 [DERA Eligibility Statement \(pdf\)](#) (1 MB, April 2024, Expiration Date: 04/30/2027, Burden Statement for EPA Form 5900-687)
- 📄 [2023-2024 DERA State Grants Sample Scrappage Statement \(docx\)](#) (630.2 KB, June 2023)
- 📄 [2023-2024 DERA State Grant Program Sample Drayage Guidelines \(pdf\)](#) (286.5 KB, June 2023)
- 📄 [Transport Refrigeration Unit \(TRU\) Factsheet \(pdf\)](#) (95.0 KB, March 2024, EPA-420-F-24-012)
- 📄 [How to Identify Low NOx Certified Engines Diesel Emissions Reduction Act \(DERA\) Grants Fact Sheet \(pdf\)](#) (252 KB, January 2021, EPA-420-F-21-002)
- 📄 [2023-2024 Diesel Emissions Reduction Act \(DERA\) State Grants Overview \(pdf\)](#) (422.6 KB, July 2023)
- 📄 [EPA General Grant Terms and Conditions](#)

## **Eligible Recipients**

Eligibility to apply for and receive funds under the DERA State Grant Program is limited to the 50 states, the District of Columbia, Puerto Rico, and the territories: U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

Please refer to the for additional information.

## **Eligible Activities**

Eligible activities include the retrofit or replacement of existing diesel engines, vehicles and equipment with EPA and California Air Resources Board (CARB) certified engine configurations and verified retrofit and idle reduction technologies.

1. Diesel Vehicles, Engines and Equipment: Projects may target in-use medium and heavy-duty diesel-powered highway vehicles and diesel powered nonroad vehicles and equipment
  - School buses
  - Transit buses
  - Medium-duty or heavy-duty Class 5 – Class 8 highway vehicles
  - Locomotives Marine engines
  - Nonroad engines, equipment, or vehicles including, not limited to, those used in construction, handling of cargo (including at ports or airports), agriculture, mining, or energy production (including stationary generators and pumps).
2. Diesel Emission Reduction Solutions: Projects may upgrade existing diesel vehicles and equipment using the diesel emissions reduction solutions
  - Certified vehicle and equipment replacements
  - Certified engine replacement
  - Certified remanufacture systems
  - Verified idle reduction technologies
  - Verified retrofit technologies
  - Clean alternative fuel conversions
  - Verified retrofit technologies
  - Clean alternative fuel conversions
  - Verified aerodynamic technologies and low rolling resistance tires

Please refer to the [2023-2024 DERA State Grants Program Guide \(pdf\)](#) (536 KB, July 2023, EPA-420-B-23-031) for additional information.

## **Eligible Uses of Funding**

States and territories may use their grants to fund diesel emissions reduction projects that use:

- [EPA verified retrofit technologies](#) or certified engine configurations
- [California Air Resources Board \(CARB\)](#) verified retrofit technologies or certified engine configurations
- [Idle-reduction technologies](#) that are EPA verified
- [Aerodynamic technologies](#) and [low rolling resistance tires](#) that are EPA verified
- Early engine, vehicle, or equipment replacements with [certified engine configurations](#)

Please refer to the [DERA State Program Guide](#) for additional information.

### **Application Package and Submission Information**

Participating states and territories must submit a complete application package electronically to EPA through [www.grants.gov](http://www.grants.gov) after they have received their final allocation amount and have had their work plan approved by their EPA Region Project Officer. See Section VII of the FY23-FY24 DERA State Program Guide for full application content and submission instructions.

### **Tools and Resources for Applicants**

- [EPA Grants Management Training for Applicants and Recipients](#) provides an online training course that is designed to introduce EPA grant applicants and recipients to key aspects of the entire grant life cycle, from preparation of an application through grant closeout.
- [Tips for a Successful Diesel Retrofit Project \(pdf\)](#) (500 K, April 2013, EPA-420-B-13-025) provides tips to help you get started and avoid common mistakes.
- [Technology Tips: Diesel Emissions Reduction Program \(DERA\): Technologies, Fleets and Projects Information \(pdf\)](#) (1.3MB, October 2011, EPA-420-P-11-001) provides information about retrofit technologies and what to look for.
- [Shore Power Calculator Tool](#): In 2022, EPA updated the shore power technology assessment titled [“Shore Power Port Assessment at US Ports 2022 Update Report” \(pdf\)](#) (1.8 MB, December 2022, EPA-420-R-22-037) which describes the availability of shore power at ports throughout the U.S., and characterizes the technical and operational aspects of shore power systems at U.S. ports. The updated assessment includes information on California Air Resources Board (CARB) shore power regulations, information on vessel readiness and real-world costs and practical operational lessons from different ports. The shore power calculator tool can be used to estimate how diesel emissions can be reduced through the use of shore power systems.
- [Transport Refrigeration Units \(TRU\) Emission Spreadsheet Calculator](#): To better estimate potential emission reductions for projects including plug-in TRU systems, EPA developed a 2023 TRU Emissions spreadsheet calculator which facilitates estimating emission reductions and potential fuel savings. TRUs are integral to transporting freight that requires climate-controlled conditions. Additional information on TRU systems and eligible DERA funding is available on the [DERA website](#).

### **Reporting Template for States and Territories**

- [DERA Project Reporting Template \(xlsx\)](#) (1.1 MB, April 2024)

Last updated on August 28, 2024