



Draft Rule Review – Diesel Emissions Mitigation Grant Program

May 26th, 2020

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Draft Rule Review Webinar Overview

Your Participation

Open and close your control panel

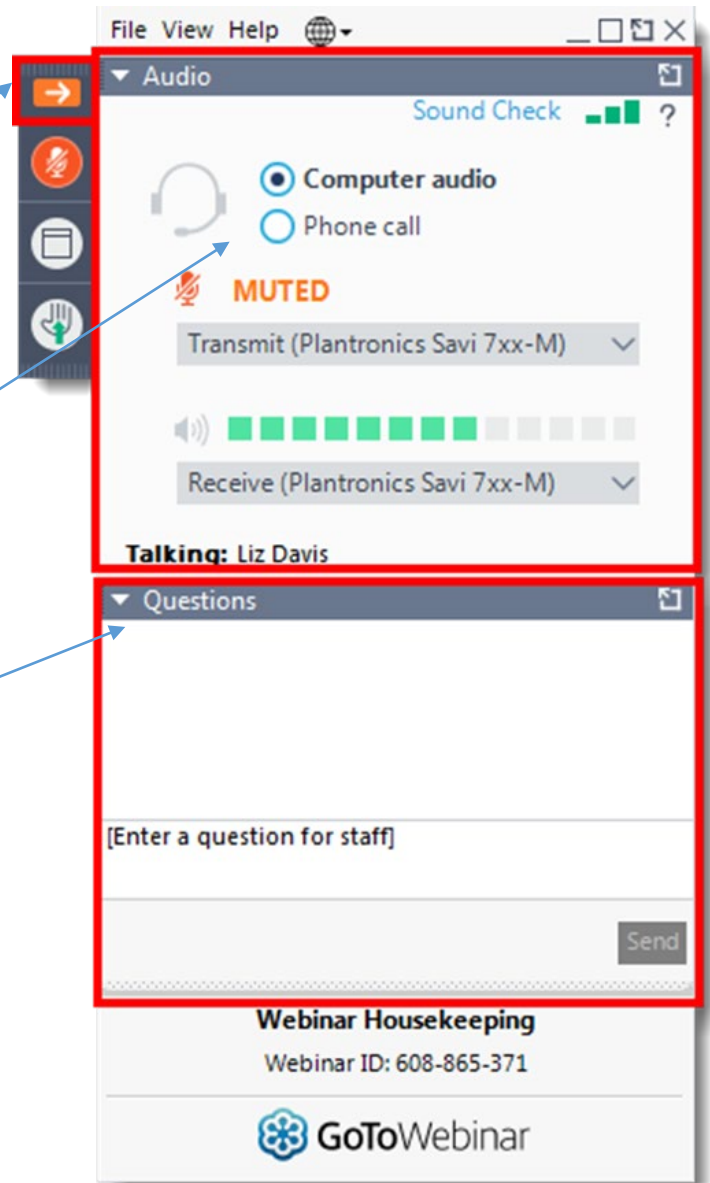
Join audio:

- Choose **Mic & Speakers** to use VoIP
- Choose **Telephone** and dial using the information provided

Participate:

Raise your **hand** to be called on
Submit questions and comments via the **Questions** panel

Note: Today's presentation is being recorded and will be provided within 48 hours.





Draft Rule Review

Agenda

- Welcome and introductions
- Ground rules and webinar overview
- Draft rule presentation
- Public Comment
- Next steps
- Adjourn



Draft Rule Review

Ground Rules

- Listen respectfully
 - Speak from interests
 - Share airtime
 - Participate fully
 - Demonstrate curiosity
 - Silence noisemakers
-
- And, for online meetings – use headphones if you have them.



Draft Rule Review

Summary

The purpose of this presentation is to provide committee members a summary of draft rules establishing DEQ's Diesel Emissions Mitigation Grant Program

Each slide will address one section of the rule language, key issues, and questions for committee
Please follow along with a copy of the rule text open in front of you

Rule Text:

- Language or summary of draft rules to inform committee discussion

Key Issues:

- Policies important to reduce emissions, support applicants, and promote grant funding

Questions for Committee:

- Requests for feedback and committee expertise to inform DEQ's proposed approach



Draft Rule Review – 340-255-0010

Overview

Rule Text:

- Establishes purpose, background, and scope of Diesel Emissions Mitigation Grant Program
- Provides framework for rule division

Key Issues:

- Identifies the goal of reducing diesel emissions in Oregon, the strategy of replacing, retrofitting, and repowering older diesel engines, and the funding source of the Environmental Mitigation Trust

Questions for Committee:

- Do you recommend additional overview language?
- Is any of the existing language out of place?



Draft Rule Review – 340-255-0020

Definitions

Rule Text:

- Responds to existing definitions in Oregon Statute and the Environmental Mitigation Trust Agreement
- Establishes definitions of diesel equipment eligible for grant funding
- Clarifies types of emissions reduction projects such as retrofit, repower, and replacement

Key Issues:

- Establishes shared understanding of key terms in Diesel Emissions Mitigation Grant Program
- Eligible medium and heavy duty trucks span from 1992-2009, based on emissions standards

Questions for Committee:

- Feedback on this list of definitions?
- Are there any definitions that could be added?



Draft Rule Review – 340-255-0020(45)

Definition of Small Fleet

Rule Text:

- New definition as required by HB 2007 but previously undefined
- “Small fleet” means fleet size of 5 or fewer non-road, heavy, medium duty diesel vehicles and equipment

Key Issues:

- Definition will determine the award of preference among certain applicants
- Includes all types of diesel equipment that will be eligible for grant funding

Questions for Committee:

- Given HB 2007’s intent to provide additional support to small businesses, how should the threshold of “Small Fleet” be set relative to ownership of diesel vehicles and equipment?



Draft Rule Review – 340-255-0030

Projects Eligible for Grant Funding

Rule Text:

- Project eligibility is set by the Environmental Mitigation Trust Agreement and the federal Diesel Emissions Reduction Act (DERA)

Key Issues:

- Only retrofit, repower, and replacement projects of eligible equipment will qualify
- All DERA program authorizations are included as allowed
- Repower and replacement projects must include scrapping engines and equipment, accordingly

Questions for Committee:

- Would diesel fleet owners and community members benefit from improved descriptions?



Draft Rule Review – 340-255-0040

Eligible Grant Amounts

Rule Text:

- Maximum grant amounts are set by the Environmental Mitigation Trust Agreement and the federal Diesel Emissions Reduction Act

Key Issues:

- In general the maximum reimbursement amounts (with exceptions) are:
 - 100% for public sector projects and exhaust control retrofits
 - 75% for all-electric replacement
 - 40% for repower
 - 25% for replacement

Questions for Committee:

- Would diesel fleet owners and community members benefit from improved descriptions?



Draft Rule Review – 340-255-0050

Application Requirements

Rule Text:

- Requirements focused on determining equipment ownership, project eligibility, operation in Oregon, preference criteria, and emissions benefits

Key Issues:

- Ensure emissions benefits are real and accrue in Oregon
- Prevent fraud, waste, and abuse with proof of Oregon ownership and multiple bids
- Estimate location of emissions benefits

Questions for Committee:

- Anything out of place?
- Anything missing?
- Can you identify any technical assistance needs or other considerations for small fleets?



Draft Rule Review – 340-255-0060

Application review process

Rule Text:

- Establishes criteria for awarding preference points to projects
- Responds to all legislative direction in HB 2007
- Adds cost effectiveness and vulnerable population criteria

Key Issues:

- Maintain legislative intent
- Encouraging cost effective emissions reduction projects
- Reduce diesel emissions in areas with vulnerable populations and high levels of pollution

Questions for Committee:

- State and Federal definitions of vulnerable populations can include: low income, youth, elderly, people of color, educational attainment, and linguistic isolation, and others
- Additional considerations?



Draft Rule Review – 340-255-0070

Grant Application Schedules and Grant Awards

Rule Text:

- Create certainty of availability of funds
- Establish schedule for grant announcements, applications, and awards

Key Issues:

- DEQ providing adequate notice, outreach, and engagement
- Diesel fleet owners receive information and support
- All available funds will be spent

Questions for Committee:

- Thoughts and recommendations for outreach and recruitment
- Input on technical assistance



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Draft Rule Review – Public Comment

Oregon Department of Environmental Quality Division 255 Diesel Emissions Mitigation Grant Program

Opportunity for public comment

- Time during agenda for public comment
 - To make a verbal comment, **raise your hand**
 - You will be called on and the facilitator will unmute you
 - Please provide your name and address and your comment
 - Your comment will not be responded to
- For written comments please email:
VWGrants2020@deq.state.or.us
- Deadline for written comments is June 2nd





Draft Rule Review – Next Steps

Oregon Department of Environmental Quality Division 255 Diesel Emissions Mitigation Grant Program

Preview of Topics for the Next Meeting and Next Steps

- Review and discuss final rule language
- Discuss implementation plans, including;
 - Reviewing best practices from other states
 - Reducing diesel emissions among vulnerable populations
 - Recruiting minority, women, disadvantaged, & emerging small businesses into program
 - Providing technical assistance for program applicants