



Oregon Department of Environmental Quality

Diesel Emissions Mitigation Grants

Program Review

Program history

Following the Oregon Legislature's passage of HB 2007 in 2019, Oregon DEQ implemented the new Diesel Emissions Mitigation Grant Program in 2021. The goal of the program is to reduce diesel emissions in the state by providing grant incentive funding to retire older, more polluting diesel vehicles and equipment. DEQ led a formal administrative rulemaking process with stakeholders from across the state to establish OAR Chapter 340, Division 255. Oregon DEQ's governing body, the Environmental Quality Commission adopted these new rules on Jan. 21, 2021. Based on legislative direction and stakeholder feedback they provide guidance for DEQ to fund projects that reduce diesel emissions from older more polluting diesel vehicles and equipment.

This document reviews the first two years of the program, providing a snapshot of the investments, emissions reductions, community benefits, and engagement among participants and applicants. The purpose of this document is to share information about the status of the program to date, invite public engagement, and consider improvements, as needed.

Program overview

DEQ allocated approximately \$8 million each year during 2021 and 2022, reducing over 200 tons of harmful diesel emissions, installing diesel exhaust control technology, upgrading to new, cleaner diesel equipment, and supporting the purchase of dozens of new medium and heavy-duty zero emissions electric vehicles operating in our state. The program has invested in communities in Southern Oregon, central Willamette Valley, and the Portland metro area, as well as elsewhere throughout the state.

The Diesel Emissions Mitigation Grant Program will continue to allocate approximately \$8 million per year for at least three more funding cycles through 2025, when DEQ expects all the available revenue to be allocated to air quality projects. Oregon has until 2027 to use all available funds or they risk being sent back to the trustee that maintains the revenue. Feedback during this review will inform DEQ's approach to the allocation of the remaining funds, ensuring that Oregon is able to receive as much benefit as possible through these one-time funds.

Program investments and emissions reductions

Over the course of the 2021 and 2022 funding cycles, DEQ has awarded nearly \$15.6 million in funding for projects designed to reduce diesel emissions across the state and among vulnerable populations. The 20 awarded projects will help eliminate air contaminants affecting public health and climate by retrofitting or replacing older medium- and heavy-duty diesel equipment with new, cleaner alternatives.

The selected projects will remove at least 238 tons of harmful air pollution, including nitrogen oxide and fine particulate matter, from Oregon's air. They range from retiring an old diesel transit trolley and purchasing a new, all-electric one in Wilsonville, to replacing two diesel refuse trucks with one all-electric and one compressed natural gas hauler in Athena, and installing diesel particulate filters and replacing medium- and heavy-duty diesel trucks with zero-emission transportation in the Portland Metro area and across the state.

Translation or other formats

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Diesel Emissions Mitigation Grant recipients

Grant Year	Grant Recipient	Project Type	Grant Amount
2021	Aramark Uniform & Career Apparel Group, Inc. (Portland)	4 Electric Equipment Replacements	\$600,000
2021	Bedrock Concrete Cutting (Portland)	3 Electric Equipment Replacements	\$201,475.51
2021	Cadman/Lehigh Hanson (Portland)	63 Exhaust Control Retrofits	\$1,216,972.89
2021	City of Newberg (Newberg)	1 Electric Equipment Replacement	\$293,066
2021	City of Portland (Portland)	8 Electric Equipment Replacements	\$2,660,234
2021	City of Roses Disposal & Recycling (Portland)	1 Electric Equipment Replacement	\$238,046.50
2021	DeVry Construction LLC (Medford)	1 Diesel Equipment Replacement	\$25,994.80
2021	DMH Inc. (Forest Grove)	1 Exhaust Control Retrofit	\$14,006.63
2021	Estes Express Lines (Portland)	13 Diesel Equipment Replacements	\$316,783.75
2021	Morgan Industrial, Inc. (Hillsboro)	16 Diesel Equipment Replacements	\$704,606.09
2021	Sysco Portland (Wilsonville)	21 Diesel Equipment Replacements	\$551,250
2021	TITAN Freight Systems (Portland)	6 Electric Equipment Replacements	\$1,288,579.50
2022	All Service Moving (Portland)	10 Electric Equipment Replacements	\$1,553,850
2022	City of Newberg (Newberg)	1 Electric Equipment Replacement	\$682,500
2022	City of Portland (Portland)	5 Electric Equipment Replacements	\$850,000
2022	Humbert Refuse (Athena)	1 Electric Equipment Replacement and 1 Compressed Natural Gas Replacement	\$718,501
2022	Iron Oxen (Portland)	5 Electric Drayage Trucks	\$2,041,063
2022	MTR Western (Portland)	2 Electric Motor Coaches	\$1,194,936
2022	R.A. Anderson Group, LLC (Estacada)	1 Exhaust Control Retrofit	\$28,364
2022	South Metro Area Regional Transit/City of Wilsonville (Wilsonville)	1 Electric Trolley	\$412,500
			Total: \$15,592,729.70

DEQ's Air Quality Program staff reviewed 71 grant applications in 2021, totaling more than \$53 million in funding, and 61 grant applications, totaling \$42 million in requested funds, in 2022. DEQ applied [specific criteria](#) from the Oregon Legislature and related administrative rules to evaluate proposed projects according to a point system. The 55 total points broke down as follows:

- Project summary and approach (5 points)
- Project eligibility and type (15 points)
- Project cost and air quality benefits (5 points)
- Project location (10 points)
- Applicant and fleet profile (20 points)

Project location criterion included a GIS evaluation against a [vulnerable population map](#). The review considered how a proposed project would improve air quality in areas with the highest diesel emissions, most vulnerable populations, and highest population densities.

Throughout the program's operation, DEQ staff work with grant recipients to finalize project details and keep projects moving. Based on the pool of applicants and current program guidance Oregon is seeing an increasing number of zero emissions vehicles and equipment being awarded funding and put into service.

Community involvement and potential program improvements

DEQ's program engages with the public throughout the entire life cycle of the grantmaking process. During scheduling of annual grant availability diesel equipment owners asked for an extended period to plan and prepare their grant applications. As a result DEQ provides grant timelines on a multi-year basis that allow fleets to plan for their upgrades and submit applications during a two-month window. Several grant applicants ask questions and request technical assistance before, during, and after their applications. DEQ staff provide constant support throughout this process, answering calls, emails, and help requests in the custom software powering our [grant application system](#).

After DEQ makes grant award decisions, the agency provides onboarding information and support to the grantees. DEQ provides a comprehensive debrief session for all unsuccessful grant applicants, listening to their questions and concerns and walking through a detailed account of review process, scoring, and opportunities for improvement in future applications. These conversations shed light into the unique challenges Oregon diesel equipment owners face and DEQ frequently uses this feedback to inform program changes.

In 2022, based on extensive feedback, DEQ updated the grant application process to include a more straightforward way to estimate emissions benefits and an opportunity to include fuel contracts. These updated web application features make it easier for applicants to share the benefit of their projects and identify the air quality impact from commitments to use renewable fuels and lower-carbon fuels that generate credits in DEQ's Clean Fuels Program.

Each of these dynamics describes community involvement in DEM program implementation and improvements that occur because of new feedback. This report intends to continue this work by expanding the engagement and input Oregon DEQ solicits and receives from the public, identifying opportunities for program improvement. DEQ will continue to engage with the public, accept feedback, and make program improvements throughout this entire program, in addition to the current program review required in [OAR 340-255-0070 \(4\)](#).

DEQ discussion prompts

In addition to collecting and responding to ongoing public input, DEQ would like to request feedback from the public on the diesel grant program during this review process. Please consider the following questions and discussion prompts and respond in writing by sending an email to dieselgrants@deq.oregon.gov or attending the community involvement meeting on March 28, 2023 at 1 p.m.

[Join the Community Involvement Meeting via Zoom](#)

- What are your priorities for Oregon DEQ programs to reduce diesel emissions?
- Have you applied for a Diesel Emissions Mitigation Grant? If so tell us about your experience.
- Based on the program summary and projects to date what specific changes would you recommend?
- Do you have any other feedback for Oregon DEQ regarding the past or future work of the Diesel Emissions Mitigation Grant Program?

Contact

[Diesel Emissions Mitigation Grant Program online](#)

Email: dieselgrants@deq.oregon.gov

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