

*Funding opportunities administered by the Vermont Department of Environmental Conservation can help municipalities and other eligible entities complete projects that achieve significant reductions in emissions from diesel powered engines, vehicles, and equipment.*

## For More Info:

<https://dec.vermont.gov/air-quality/mobile-sources/diesel-emissions>

<https://dec.vermont.gov/air-quality/mobile-sources/diesel-emissions/vt-diesel-grant>

Or visit the Vermont Air Quality & Climate Division website:

<http://dec.vermont.gov/air-quality/mobile-sources>

Reducing public exposure to emissions from diesel-powered engines is an ongoing challenge and a priority in Vermont. Even with more stringent emissions standards in place for heavy-duty highway and nonroad vehicles and equipment, millions of diesel engines already in use will continue to emit large amounts of particulate matter (PM), nitrogen oxides (NOx), air toxics and greenhouse gases, which contribute to serious risks to public health and the environment.

The Vermont Department of Environmental Conservation (DEC) currently administers the **Diesel Emissions Reduction Program**, which takes a multi-pronged approach to reducing emissions from diesel mobile sources. As part of this program, DEC is able to provide financial incentives towards eligible projects in the form of Vermont Diesel Emissions Reduction Financial Assistance Awards and Volkswagen Environmental Mitigation Trust Grants.

**Vermont Diesel Emissions Reduction Financial Assistance Awards** are funded through the Diesel Emissions Reduction Act (DERA) by the US Environmental Protection Agency in order to provide technical assistance and incentive funding for projects that reduce diesel emissions from engines, vehicles, and equipment that operate primarily in Vermont.

Award funding is offered annually in the fall through a competitive application process. Funding cannot be awarded to projects that have already been initiated (i.e., purchased, ordered, financed, or installed) or to past projects, so prospective applicants are highly encouraged to plan their projects in advance.

Award amounts are based on the estimated cost of the project listed in the application and funding availability. Upon completion of a project, awards are provided on a reimbursement basis as a percentage of eligible project costs.

Diesel-powered vehicles and equipment that are eligible for award funding include:

- Nonroad engines, including equipment or vehicles used in agriculture, construction, handling of cargo, mining, or energy production (including stationary generators and pumps);
- Class 5-8 Heavy-duty trucks (GVWR 16,001 lbs and over);
- School buses and transit buses; and
- Locomotives & Marine engines

Funding can be applied towards engine, equipment, and vehicle replacements, idling reduction technologies, exhaust control retrofits, and more. Eligible projects, requirements, and restrictions are outlined in the Request for Proposals provided by DEC and available online during the application period. Interested parties are highly encouraged to contact DEC with any and all questions about this incentive opportunity!

*Vermont Diesel Emission Reduction Financial Assistance Awards can provide funding towards a variety of projects, including replacements and upgrades for nonroad equipment and vehicles that meet incentive eligibility requirements.*



Volkswagen Environmental Mitigation Trust grants aim to reduce NOx emissions from mobile sources in an effort to mitigate the excess NOx emissions that were released to the atmosphere through the operation of diesel vehicles equipped with illegal software to cheat emissions tests, known as "defeat devices."

## Why Upgrade?

*Diesel-powered engines are built to last; however, older unregulated and more heavily polluting engines expose operators, community residents, and the environment to harmful exhaust emissions, which have been linked to increased prevalence of respiratory illness, heart conditions, cancer, and premature death.*

*Diesel engines built to meet US EPA's current emissions standards emit significantly less harmful particulate matter and nitrogen oxides than older, less regulated diesel engines. And now, electric options for nonroad equipment and heavy-duty highway vehicles are becoming more widely available, which produce zero exhaust emissions!*

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**The Volkswagen Environmental Mitigation Trust (EMT)** was established as the result of legal settlements reached in 2016 after automotive manufacturer Volkswagen admitted to selling approximately 500,000 diesel vehicles in the US equipped with software to purposefully defeat emissions controls. The affected vehicles were found to emit up to 40 times the amount of nitrogen oxides (NOx) allowable under state law, negatively impacting public health and the environment.

The purpose of the EMT is to fund eligible mitigation actions that replace mobile diesel emission sources with cleaner technology in order to mitigate the harm caused by the excess NOx emitted by the affected vehicles. Vermont's portion of the EMT amounts to approximately \$18.7 million, which has been dedicated to expanding the state's light-duty electric vehicle supply equipment network and replacing older medium- and heavy-duty diesel vehicles with zero-tailpipe emissions electric options.

DEC periodically solicits grant applications from potential project partners for eligible mitigation actions allowed under the EMT. Interested parties are encouraged to contact DEC to receive notifications when funding opportunities become available.

Diesel-powered vehicles that are eligible for replacement under EMT funding include:

- Class 4-7 Local Freight Trucks (Eligible Medium Trucks);
- Class 8 Local Freight Trucks (Eligible Large Trucks); and
- Class 4-8 School Buses, Shuttle Buses, and Transit Buses

In order to be considered eligible for replacement, the vehicles must have an engine model year of 2009 or earlier and must still be in regular service. Government entities (i.e., municipalities, federal and state agencies) and other public entities may be awarded up to 85% of the cost of any eligible projects, while private entities can receive up to 75% of the cost of eligible projects. Privately owned school buses under contract with a public-school district will be considered government-owned.



Some examples of past vehicle electrification projects have included the Vermont Electric Bus Pilot Program, two refuse hauler replacements (Casella Waste Systems), four school bus replacements (Highland Electric Transportation), a rack truck replacement (Green Mountain Power), and a bucket truck replacement (Burlington Electric Department).

More information about the EMT, previous and ongoing projects, and funding opportunities can be found online at <https://dec.vermont.gov/air-quality/vw>.

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