



Gina McCarthy
Commissioner

STATE OF CONNECTICUT
DEPARTMENT OF ENVIRONMENTAL PROTECTION

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PHONE: 860-424-3001



February 24, 2009

Subject: Federal Stimulus Money for Diesel Reduction Projects

Dear Interested Parties:

Under the American Recovery and Reinvestment Act of 2009, \$300 million has been made available for grants and loans to help regional, state and local governments, tribal agencies, and non-profit organizations with projects that reduce diesel emissions. The Connecticut Department of Environmental Protection (DEP) has made it a priority to develop and implement effective programs to address diesel pollution and is well positioned to receive up to \$1.7 million of this funding. The funding is also a great opportunity to address the significant public health and environmental concerns posed by diesel emissions in Connecticut.

To ensure the DEP applies the funding to the most environmental and economically beneficial project(s), DEP is looking to establish relationships with organizations/individuals submitting proposals for potential shovel ready diesel reduction projects that can be completed quickly. These funds, along with funding that may be applied for through a separate national competitive process, must be used to provide grants or loans for projects that:

- expedite economic recovery,
- facilitate the creation and preservation of jobs and
- reduce diesel emissions

Clean Diesel Projects Eligible for State Funding

Information regarding this funding opportunity may be found at <http://www.epa.gov/cleandiesel/prgstate.htm#funding>. Due to the stringent project eligibility requirements, including the federal priorities of job creation and economic stimulus, the timeline from proposal to project completion is condensed and could be as short as 120 days. Projects that can be expedited and can be completed quickly will be prioritized for funding. All interested parties must submit their proposal on the enclosed form to DEP by March 13, 2009. These forms can also be found on the DEP's Diesel Reduction Initiatives page at:

http://www.ct.gov/dep/cwp/view.asp?a=2684&q=322102&depNav_GID=1619.

Completed forms and inquiries should be directed to Silvia.Pineiro@ct.gov.

Clean diesel projects eligible for state funding must fit into one of the categories listed below. However, when the federal Request for Applications (RFA) is issued in early March, the eligibility list may be expanded beyond the following:

- Retrofit technologies that are EPA or CARB-certified or verified
- Idle reduction technologies that are EPA-verified
- Technologies from EPA's Emerging Technologies List
- Early replacement and repower with certified engine configurations (incremental costs)

Proposals will be evaluated and ranked according to the diesel emission reductions, job creation and expediency potential of the project's completion. In addition, the inclusion of an anti-idling education and outreach program as part of the project will be assessed. Organizations or individuals applying for this program will be given prioritization points based on the following criteria:

- Creates Connecticut jobs (**1 Point**);
- Inclusion of anti-idling education and outreach (**1 Point**);
- In an EPA-designated PM non-attainment area (Fairfield or New Haven Counties) (**1 Point**);
- In an environmental justice community (**1 Point**);
- Near transportation hubs or corridors (**1 Point**);
- In an urban area (**1 Point**).

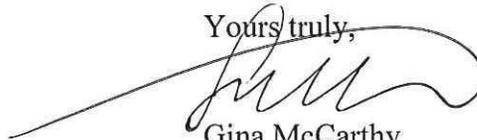
Even if the DEP does not use your idea for the state funding, we encourage you to apply for the approximately \$210 million available from the national competitive process.

Funding under the National Competition

In addition to responding to this request for proposals for use of DERA funds awarded to the state, EPA has an additional pool of funds that will be awarded in a national competition. Those considering applying for these additional competitive national funds should review the information regarding the specifics of the program, which will be available at <http://www.epa.gov/otaq/diesel/grantfund.htm> in early March, 2009. In order to expedite administration of these projects EPA is anticipating establishing a minimum funding threshold to be defined in the RFA. DEP has a proven history assisting with diesel retrofit projects and applying for federal DERA funds and is available to assist Connecticut applicants pursuing the competitive national funds. If you need assistance with grant applications please contact Patrice.Kelly@ct.gov.

If you wish to propose a project or if you have additional questions regarding Federal Stimulus Money for Diesel Reduction Projects, please contact Silvia Piñeiro at Silvia.Pineiro@ct.gov. Again, so Connecticut can put forward the best application for the state stimulus DERA funds, the deadline for proposals to be submitted to DEP is March 13, 2009.

Yours truly,



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