

**Fact Sheet – Department of Environmental Conservation
American Recovery and Reinvestment Act (ARRA)
Environmental Protection Agency - Diesel Emissions Reduction Act
Total Available ARRA Funding: \$2,000.0**

The Air Non-Point Mobile Source program within the Division of Air Quality in Department of Environmental Conservation (DEC) is responsible for mobile and area sources of air contaminants. As part of their responsibilities for mobile sources they were tasked with management of the grant funding being distributed by the Environmental Protection Agency (EPA) under the State Clean Diesel Grant program. FFY08 was the first year of this allocation funding to states through a formula outlined in the Energy Policy Act of 2005. EPA's program is designed with the idea that states will fund grants or loan programs for clean diesel projects, but other competitive processes are allowed.

To distribute this funding DEC can execute agreements with other governmental agencies or establish contracts or grants to municipalities and others throughout the state for projects such as:

- Purchasing and installing pollution controls on diesel engines for vehicle fleets such as bus or construction equipment fleets;
- Replacing older diesel generators in villages with newer, more efficient diesel engines;
- Repowering or replacing state, municipal or school bus fleets with cleaner, more efficient engines or vehicles;
- Providing plug-ins and other means to reduce the need to idle diesels in cold weather; and
- Converting vehicle fleets from diesel power to cleaner fuels such as natural gas or propane.

A variety of entities are eligible for this funding, they are:

- Regional, state, local, tribal or port agencies with jurisdiction over transportation or air quality;
- Nonprofit organizations or institutions that represent or provide pollution reduction or educational services to persons or organizations that operate diesel fleets;
- Entities whose principle purpose is the promotion of transportation or air quality

In FFY08 DEC received \$295,320. To date projects identified as eligible for this funding include:

- Alaska Energy Authority to conduct a feasibility assessment of operating a small organic rankine cycle powered generator utilizing waste heat from the exhaust stack of a diesel engine.
- Alaska Department of Transportation diesel equipment retrofits.
- Alaska Railroad diesel equipment retrofits and assessment of anti-idling technologies.
- Contract to be issued for other diesel emission reduction projects throughout Alaska.

The funding available for the diesel emissions program through the American Recovery and Reinvestment Act of 2009 provides approximately \$2.0 million to support the efforts of Alaska's State Clean Diesel Grant program.

DEC is requesting granting authority that would allow a distribution of funding to other entities beyond governmental agencies or contractors. The statutory language needed in order to allow this granting authority would be:

Section 1. AS46.14 is amended by adding a new section to read:

Sec 46.14.535. Grants. (a) Subject to appropriation, the department may award grants of federal or other funds received by the department for the control of air emissions or the development or administration of air quality control programs in this state.

(b) The department may adopt regulations under AS44.62 (Administrative Procedure Act) to carry out the purposes of this section.