

April 12, 2018

The Honorable Richard Shelby
Chairman
Senate Committee on Appropriations
304 Russell Senate Office Building
Washington, DC 20510

The Honorable Patrick Leahy
Ranking Member
Senate Committee on Appropriations
437 Russell Senate Office Building
Washington, DC 20510

The Honorable Lisa Murkowski
Chairman
Appropriations Subcommittee on Interior,
Environment and Related Agencies
709 Hart Senate Office Building
Washington, DC 20510

The Honorable Tom Udall
Ranking Member
Appropriations Subcommittee on Interior,
Environment and Related Agencies
531 Hart Senate Office Building
Washington, DC 20510

Dear Chairman Shelby and Ranking Member Leahy, Chairwoman Murkowski and Ranking Member Udall:

As part of a uniquely broad coalition of interests, we want to express our appreciation for your support for additional appropriations for the Diesel Emissions Reduction Act (DERA) program as reflected in the recently enacted Consolidated Appropriations Act. That legislation increased funding for this highly cost-effective and enormously successful program from \$60 million in FY17 to \$75 million in FY18. This is the fourth year in a row that Congress has increased funding for DERA and we believe additional capacity exists to improve air quality by advancing technologies that significantly reduce emissions from heavy-duty diesel vehicles and equipment. Because EPA and the states can do more, we respectfully request your support for a further increase in appropriations for this worthwhile program. Specifically, we are seeking an increase which would be in line with the recent increases and bring us to a level closer to the last authorization level of \$100 million.

Since implementation, DERA has become one of the most cost-effective federal clean air programs. EPA estimates every \$1 in federal assistance is met with another \$3 in non-federal matching funds, including significant investments from the private sector, and generates \$5 to \$21 in health and economic benefits. States benefit because 30 percent of the funding goes to support state programs.

DERA also provides grants and rebates to incentivize equipment and vehicle owners to install retrofit technologies on existing heavy-duty diesel vehicles and engines, or replace engines and equipment, reducing emissions by as much as 90 percent. EPA's most recent estimates were completed in 2016 and reflect only the first five years of the program. Even with this limited sampling, the positive results were impressive. EPA estimated that just from 2009 to 2013 the program upgraded nearly 73,000 vehicles or pieces of equipment, and saved over 450 million gallons of fuel. In that report, EPA estimated that total lifetime emission reductions achieved through DERA funding are 14,700 tons of particulate matter (PM) and 335,200 tons of oxides of

nitrogen (NOx). These reductions created up to \$12.6 billion of health benefits. Significant funding since then continues to add to these totals, reflective of the tremendous progress that continues to be made. In short, the program continues to help improve air quality at the nation's schools, construction sites, highways, railyards, and ports.

The program has enjoyed overwhelming bipartisan support in the Committee and in Congress and we are hopeful of such support this year as well. The DERA program is voluntary and has adopted many cost saving administrative practices, such as the inclusion of a rebate program applicable to school buses and construction equipment that speed the delivery of program funds with a minimum amount of red tape. The program effectively cleans our air and underpins employment in innovative industries. It is a true win-win-win.

The DERA program is still needed to help speed adoption of highly cost-effective emission control technologies for vehicles in the legacy fleet of millions of diesel vehicles which do not meet the most recent emission control standards. It is our hope that for FY 2019, Congress will provide additional funding in line with the most recent authorization target level of \$100 million.

Because the DERA program goes hand-and-glove with effective state and local air programs, the DERA Coalition also urges that funding for DERA not come at the expense of critical funding for state and local air quality grants. State and local governments hold primary responsibility for preventing and controlling air pollution and rely on these grants to carry out their core obligations under the Clean Air Act, including monitoring air quality, assessing emissions impacts, developing comprehensive state implementation plans, permitting and inspecting sources, enforcing laws and regulations, and conducting public education and outreach.

Thank you for your consideration.

Sincerely,

American Association of Port Authorities – Advanced Engine Systems Institute – American Highway Users Alliance – American Lung Association – American Power Group – American Trucking Associations - Associated General Contractors of America – Caterpillar, Inc. – Clean Air Task Force - Corning Incorporated – Cummins Inc. – Diesel Technology Forum – Emission Control Technology Association – Environmental Defense Fund – Greyhound Lines, Inc – Manufacturers of Emission Controls Association – NAFA Fleet Management Association –National Association of State Directors of Pupil Transportation Services - National School Transportation Association – Navistar –Natural Resources Defense Council – South Coast Air Quality Management District – Truck and Engine Manufacturers Association – Umicore Autocat, Inc. – United Motorcoach Association – Volvo Group North America