

**Statement of the
Manufacturers of Emission Controls Association
on the U.S. EPA's Information Collection Request
for the Diesel Emissions Reduction Act (DERA) Rebate Program**

Docket ID No. EPA-HQ-OAR-2012-0103

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The Manufacturers of Emission Controls Association (MECA) is pleased to provide comments on the U.S. EPA's Information Collection Request for the Diesel Emissions Reduction Act (DERA) Rebate Program. MECA fully supports EPA's proposal to operate a DERA rebate program, starting with the agency's pilot rebate program scheduled to begin in late 2012/early 2013. We offer below a few recommendations for EPA's consideration – specifically related to the use of diesel retrofit technology – that we believe will help maximize the emission reduction effectiveness of the rebate program.

MECA is a non-profit association made up of the world's leading manufacturers of emission control technology for mobile source applications and stationary internal combustion engines. A number of our members have extensive experience in the development, manufacture, and commercial application of retrofit emission control technologies for on- and off-road diesel engines.

Discussion

Regarding the proposed Rebate Application Form Fields document (EPA-HQ-OAR-2012-0103-0002), in addition to the requirement that data-logging be completed and the results submitted for a retrofit device that requires data-logging, MECA suggests adding language to the Rebate Application Form Fields document requesting that each applicant also complete and submit a pre-installation checklist for any diesel particulate filter (DPF) used on an on- or off-road vehicle. This checklist would outline minimum generic guidelines for assessing an on- or off-road diesel retrofit candidate engine that must be checked prior to installation of a verified DPF on a vehicle. This is a basic engine assessment to identify obvious engine conditions that may impact the performance of the retrofit device (at the time of the assessment). This pre-installation checklist is typically provided by a retrofit manufacturer to a vehicle owner/operator prior to installation of one of their DPFs. General DPF pre-installation checklists are also available (please contact MECA for a copy of one of these checklists).

MECA also suggests adding language to the Rebate Application Form Fields document indicating that, after installation of the retrofit device, the vehicle owner/operator must maintain the retrofit device according to the manufacturer's specifications and that failure to do so could result in all or a portion of the rebate to be returned to EPA. Similarly, the retrofit manufacturer must honor all warranty provisions according to their verification.

MECA further recommends that EPA structure the rebate program such that applicants are encouraged to use the cleanest available retrofit technology that has been verified by EPA and/or ARB (currently, a wall-flow DPF for PM control or an SCR system for NOx control). This Best Available Retrofit Technology (BART) selection process provides an effective approach to maximizing PM and NOx emission reductions from heavy-duty diesel vehicles, while at the same time providing flexibility to vehicle owners in choosing whether to retrofit their heavy-duty vehicle with an applicable verified technology, replace the vehicle with a newer, cleaner vehicle, repower the vehicle with a newer, cleaner engine, or retire the vehicle/engine from service.

For example, if the number of requests for rebates exceeds the funding available for the rebate program, in order to determine the recipients of the rebates, EPA could use a scoring methodology similar to what it uses as part of its evaluation criteria in the Request for Proposals (RFP) for the FY 2012 National Clean Diesel Funding Assistance Program. The evaluation criteria for this RFP includes a specific programmatic priority for “Diesel Reduction Effectiveness.” As noted by EPA, under this criterion, applicants are evaluated on the extent to which the overall project effectively reduces diesel emissions by maximizing the useful life and annual operating hours of any certified engine configuration or verified technology. These scores are based on the age and annual operating hours of the vehicles in the project, and the effectiveness and cost of the control strategies.

Finally, similar to the use of DERA funds for EPA’s FY 2012 national grant competition, if an applicant chooses to retrofit their vehicle, MECA recommends that the amount of the rebate cover 100% of the cost of the retrofit installation (equipment and labor).

Conclusion

MECA fully supports EPA’s proposal to operate a DERA rebate program. Relative to grants and low-cost revolving loans, the rebate program will provide EPA with a more direct way through which to pay for the cost of clean diesel strategies – for private entities in particular – that can significantly reduce emissions from in-use diesel engines. MECA and its member companies look forward to working with EPA and its stakeholders in developing and implementing the DERA rebate program.

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