

Appendix B Response to Comment

Comments Summary and Responses to Comments

Information Collection Request for Diesel Emissions Reduction Act (DERA) Rebate Program [Regulations.gov Docket ID: EPA-HQ-OAR-2012-0103].

EPA received one set of comments for the proposed Rebate Program ICR. Below is a summary of the main topics covered by this comment and a summary of EPA's response.

Comment EPA-HQ-OAR-2012-0103-0005 [Manufacturers of Emission Controls Association (MECA)]

Summary: Commenter expressed support for the Rebate Program and included suggestions for ensuring that rebates issued for vehicle and equipment retrofits maximize emission reductions and encourage the use of the most compatible technologies. The commenter recommended that applicants fill out and submit a pre-installation checklist with any Application to Reserve Funds for a diesel particulate filter installation. In addition, the commenter suggested requiring recipients of rebates for retrofit technologies to operate those devices in accordance with manufacturer specifications. Finally, the commenter suggested a methodology for ranking rebate applications in the event EPA is not able to fund all requested rebates and suggested that rebates for retrofit technologies cover 100% of the equipment and installation costs.

Response: EPA notes the commenter's overall support for the Rebate Program. We agree that a pre-installation checklist is a useful tool for identifying any incompatibilities between a proposed diesel particulate filter and the engine on which it would be installed. EPA has previously provided an example checklist in Appendix F of our *Diesel Emissions Reduction Program (DERA): Technologies, Fleets and Projects Information* (EPA-420-P-11-001). For Rebate Program funding opportunities that include rebates for diesel particulate filters, we will provide an example pre-installation checklist for applicants to use. EPA also agrees that rebate recipients should be required to operate any retrofit devices in accordance with manufacturers' specifications. For Rebate Program funding opportunities that include rebates for retrofit technology installations, EPA will include a Term and Condition in the program guidance requiring the retrofit devices to be operated in accordance with all specifications. By signing both the Application to Reserve Funds and Application for Payment Request, applicants certify that they will abide by program terms and conditions.

Regarding maximizing emission reductions and ranking rebate applications, EPA notes the commenter's concerns but believes that by determining up front the types of projects eligible for rebates and restricting those to a certain subset of vehicle types, technologies, model years, and/or geographic areas, we are meeting the National Programmatic Priorities set forth by Title VII, Subtitle G (Sections 791 to 797) of the Energy Policy Act of 2005 (Public Law 109-58), as amended by the Diesel Emissions Reduction Act of 2010 (Public Law 111-364), codified at 42 U.S.C. 16131 et seq. Therefore, we have pre-determined that if an applicant meets the eligibility criteria for receiving a rebate, then that applicant is meeting the requirements of the statute and

need not be further evaluated and ranked. In this way, the Rebate Program allows for a streamlined process for disbursing Federal funds to worthy emission reduction projects. Rebate applicants who submit an Application to Reserve Funds within the designated submission period and that meet the eligibility terms of a given rebate funding opportunity will be included in a random selection to identify selectees for funding. Non-selected eligible applicants will be placed on a waiting list should any of the initial selectees be unable to complete the work.

EPA will consider the commenter's recommendation of providing rebates for 100% of the cost of equipment and installation for retrofit technologies when contemplating rebate funding opportunities for retrofit technologies. The initial funding opportunity is expected to be for school bus replacement projects, therefore we have not yet addressed this issue.