



Oregon

John A. Kitzhaber, MD, Governor

Department of Environmental Quality

Agency Headquarters

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TTY 711

December 1, 2014

The Honorable Peter Courtney, President of the Senate
The Honorable Tina Kotek, Speaker of the House
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear President Courtney and Speaker Kotek:

The Department of Environmental Quality is planning to apply for a grant from the U.S. Environmental Protection Agency to improve air quality at ports by reducing emissions from diesel engines. Applications are due to EPA by 4 PM EST on December 11, 2014. This letter provides the ten day notification of our intention to apply. DEQ recently sent out an announcement to diesel stakeholders to judge interest and determine if an Oregon project was feasible. Stakeholders voiced interest and DEQ is developing a project proposal and grant application in coordination with the Port of Portland and the Oregon Trucking Associations. Following is specific information about the grant proposal:

- **The source of the grant:** US Environmental Protection Agency 2014 Diesel Emission Reduction Act (DERA) funding
- **The amount being requested:** \$2 million, the maximum amount available
- **The purpose of the grant:** The purpose of the grant is to improve air quality at ports by reducing emissions from diesel powered cargo handling equipment, locomotives, marine vessels and trucks used in freight movement. DEQ in collaboration with the Port of Portland and the Oregon Trucking Associations would replace older trucks and install advanced exhaust controls on cargo handling equipment on 20 to 25 private fleets operating in rail yards, fuel terminals and intermodal freight facilities in the Portland area. While the Port is an eligible applicant, the project as it is being proposed will involve private fleet and equipment owners, many of whom operate not at Port of Portland facilities but other freight handling locations like fuel terminals, rail yards and other intermodal facilities in the Portland area. The Port is not in a position to manage projects not operating at their properties. DEQ has experience working with similar projects of this magnitude and scale.
- **The grant application deadline:** December 11, 2014
- **A description of any state match required for the grant:** There is a 50% match requirement for replacing vehicles.
- **The source of funding for any required state match:** All match amounts would be paid by the participating fleets. The state would not provide any match.
- **An estimate of any additional FTE that the grant will require:** Existing DEQ staff would manage the grant.

- **A description of how the grant supports the agency mission and goals:** This grant aligns within the mission of DEQ to be a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water. This project supports progress towards achieving the goal of reducing cancer risk from exposure to diesel exhaust as outlined in ORS 468A.793 and the Department's Key Performance Measure #11.

If you have more specific questions about the grant, please contact DEQ's Kevin Downing at 503-229-6549 or downing.kevin@deq.state.or.us.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dick Pedersen", with a long, sweeping horizontal line extending to the right.

Dick Pedersen
Director