



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JAN 23 2009

OFFICE OF
AIR AND RADIATION

The Honorable Thomas Carper
United States Senate
Washington, D.C. 20510

Dear Senator Carper:

Thank you for your January 22, 2009, letter to the U.S. Environmental Protection Agency (EPA) requesting technical assistance on the Agency's ability to distribute Diesel Emission Reduction Act (DERA) funds as part of the Economic Recovery Package.

You have asked if EPA can use \$1.5 billion for the DERA program. We are confident that these funds can be effectively used to protect the environment and create jobs. The demand for funds for clean diesel projects clearly surpassed the availability in the FY 2008 Diesel Emissions Reductions program grant competitions. Applicants requested five dollars for every dollar EPA had available to establish new clean diesel projects across the country, and offered additional matching funds as well.

Specifically, you asked under what time frame the Agency could distribute \$1.5 billion. I am attaching our outline of award levels for the timeframes you requested.

EPA looks forward to the opportunity to ensure these funds are effectively distributed and managed to protect public health and the environment by lowering diesel exhaust emissions from the existing fleet through the Economic Recovery Act.

If you have any questions, please contact me or your staff may call Josh Lewis, in EPA's Office of Congressional and Intergovernmental Relations, at (202) 564-2095.

Sincerely,

A handwritten signature in cursive script that reads "Elizabeth Craig".

Elizabeth Craig
Acting Principal Deputy Assistant Administrator