



Emissions Control Technology Association
1350 I Street, NW
Suite 500
Washington, DC 20005

FOR IMMEDIATE RELEASE

Contact: Timothy Regan, President
Emission Control Technology Association
1350 Eye Street, Suite 500
Washington, DC 20005
Phone: (202) 682-3140
regantj@corning.com

**ECTA Commends the Administration's Funding of
the Diesel Emission Reduction Program**

Washington, DC – February 6, 2006 -- The Emission Control Technology Association (“ECTA”) commends the Administration’s decision to include significant funding for the Diesel Emission Reduction Program in the Environmental Protection Agency’s (“EPA”) fiscal year 2007 (FY 07) budget. The President’s budget contains \$50 million for this important initiative under which EPA will provide grants and loans to state and local agencies for the purpose of reducing emissions from diesel engines.

The Diesel Emission Reduction Program was born out of the Diesel Emission Reduction Act (“DERA”), introduced by Senator George Voinovich (R-Ohio) in June 2005, and signed into law in August 2005 as part of the Energy Policy Act. Senators Carper (D-DE), Clinton (D-NY), and Isakson (R-GA) also led in the passage of DERA. It established a federally sponsored, voluntary diesel retrofit initiative to control emissions from the nation’s aging diesel fleets. In doing so, DERA serves the dual purpose of reducing exposure to diesel emissions and helping states achieve the new air quality standards. As states develop State Implementation Plans (“SIPs”) to address fine particulate and ozone emission reductions, this voluntary diesel retrofit initiative will give them the opportunity and flexibility to design programs to fit their own needs in a cost-effective manner.

Diesel retrofits are one of the most cost-effective means for reducing emissions. A study recently conducted by ECTA analyzed the cost-effectiveness of diesel retrofits relative to other technologies funded by states in the Congestion Mitigation and Air Quality Program (“CMAQ”). The study found that the estimated cost of diesel retrofits is approximately \$5,300 per ton of emissions reduced, compared to about \$126,000 a ton for an alternative fuel bus. Diesel retrofits are up to 25 times more cost effective than alternative emission reduction activities.

Additionally, DERA brings with it an enormous economic benefit. This program will generate investment, with the member companies of ECTA alone planning to invest \$1.8 billion in developing, manufacturing, and commercializing this technology.

ECTA is pleased that the Administration has demonstrated its commitment to diesel retrofits and emission reductions by including DERA in the FY 07 budget. But, we are concerned that the level of proposed funding at \$50 million is far below the \$200 million authorized by the Act. ECTA is hopeful that, with the Administration’s support and the bipartisan support that DERA has in Congress, the program will receive full funding during the appropriations process.

ECTA also notes that the President’s budget proposes to reduce funding for the State Air Grants Program (“STAG”). This is of concern because the state and local air officials are best positioned to facilitate the application of DERA grant money to ensure that the grants achieve maximum benefit. To do so, they need more than the currently proposed level of funding.

Tim Regan, ECTA President, stated “We look forward to working together with appropriators to build on the President’s proposal.”

ECTA is a trade association that promotes public policies aimed at achieving cleaner air by reducing diesel emissions through the use of new, innovative technologies.

###