Fiscal Year 2015 Funding
State Clean Diesel Grant Program
Notice of Intent to Participate

To: EPA Office of Transportation and Air Quality, cleandiesel@epa.gov

From: Alaska Department of Environmental Conservation | Larry Hartig, DEC Commissioner

Re: Notice of Intent to Participate in the Fiscal Year 2015 Diesel Emissions Reduction Act
State Clean Diesel Grant Program

Date: April 10, 2015

GENERAL INFORMATION
The State or Territory of Alaska submits this Fiscal Year (FY) 2015 Notice of Intent to Participate (Notice) that is due on or before Wednesday, April 22, 2015 4:00 PM Pacific Daylight Time to cleandiesel@epa.gov. This Notice identifies plans for submitting an application to receive FY 2015 funding through the State Clean Diesel Grant Program.

Allowable activities are described in the Diesel Emissions Reduction Act of 2010, 42 USC 16131 et seq., the FY 2015 National Funding Assistance Program’s Request for Proposals (RFP # EPA-OAR-OTAQ-14-05), and the FY 2015 State Clean Diesel Program Guide. All projects funded with FY 2015 State Clean Diesel Program funds, cost-share funds, and state matching funds (as applicable) must meet all funding eligibility requirements in RFP # EPA-OAR-OTAQ-14-05. Additionally, states and territories must select projects in accordance with the same statutory priorities as described in RFP # EPA-OAR-OTAQ-14-05.

Please note that in order to participate in the FY 2015 State Clean Diesel Program, all states and territories that have a currently open FY 2013 or earlier year DERA State Clean Diesel Program grant from a previous year must complete all work and incur all costs for their open State Clean Diesel Program grant by September 30, 2015. States or territories that wish to receive FY 2015 State Clean Diesel Program funding, but have yet to drawdown more than 90 percent of their remaining State Clean Diesel Program funds on their currently open FY 2013 or earlier year grant must submit an updated work plan and schedule. The updated work plan and schedule must detail the state’s or territory’s plan, as approved by their EPA Regional Project Officer, to complete all work and incur all costs by September 30, 2015. This plan must accompany this Notice of Intent to Participate.

* "States” include all fifty U.S. States and the District of Columbia.
** "Territories” include the Commonwealth of Puerto Rico, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, and Guam.
I EPA will consider individual state or territory waiver requests for extraordinary circumstances regarding individual projects for specific non-threshold or statute required RFP #EPA-OAR-OTAQ-14-05 requirements on a case-by-case basis. States or territories must obtain EPA approval for any waiver request before conducting any work on a project involving a waiver request.
Financial drawdowns for work completed by September 30, 2015 may be processed during the 90 day grant close out period.
CONTACT INFORMATION – Please fill in the following table.

<table>
<thead>
<tr>
<th>Name:</th>
<th>Programmatic Contact</th>
<th>Financial Contact</th>
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<tbody>
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FUNDING ALLOCATION
The State or Territory of Alaska understands that State Clean Diesel Program funds for FY 2015 will be allocated, based on the formula outlined at 42 USC 16133(c). Specifically, if all 51 states and all eligible territories participate in the State Clean Diesel Program, each state and Puerto Rico will receive a base allocation of 1.887 percent of 2/3 of FY 2015 funds appropriated to the DERA State Clean Diesel Program (approximately $110,000). Each eligible territory, with the exception of Puerto Rico, will receive a base allocation of 0.472 percent of 2/3 of FY 2015 funds appropriated to the DERA State Clean Diesel Program (approximately $27,500). These estimated base amounts may be higher or lower, depending on the number of states and territories participating.

Notification of the final amount is expected to occur by approximately Wednesday, April 29, 2015. States (including Puerto Rico) that elect to match the entire base EPA State Clean Diesel Program funds will be awarded an additional amount of approximately $55,000. Eligible territories (with the exception of Puerto Rico) that elect to match the entire base EPA State Clean Diesel program funds will be awarded an additional amount of approximately $13,750. If fewer than the 51 states and fewer than the five eligible territories participate in the State Clean Diesel Program, then participating states and territories will receive more than the estimated funding as dictated by the formula detailed at 42 U.S.C. 16133(c)(2)(B). Please note that, in such a circumstance, an increased match amount will be required to receive the bonus funds.

Note: The source of matching funds provided by the state or territory will need to be approved by EPA.
APPLICATION AND WORK PLAN
The State or Territory of Alaska understands that an approvable one-year work plan, budget, and any other required forms must be submitted to the EPA Regional Office on or before Wednesday, May 13, 2015 at 11:59 p.m. Pacific Daylight Time. The State or Territory of Alaska understands that this is a noncompetitive grant program, but that amended work plans must be approved by EPA, in order for states or territories to receive any potential future funding.

Instructions to create the work plan, budget and any other required forms will be emailed. However, these forms are also on EPA’s website at www.epa.gov/cleandiesel/prgstate.htm

STATUS OF CURRENTLY OPEN STATE CLEAN DIESEL PROGRAM GRANT

1. Yes No Does the State or Territory of Alaska currently have an open FY 2013 or earlier year DERA State Clean Diesel Program grant?
   X

2. Yes No Will the State or Territory of Alaska request a no-cost time extension for the currently open FY 2013 or earlier year DERA State Clean Diesel Program grant?
   X

3. Yes No Will the State or Territory of Alaska complete all work and incur all eligible costs for it currently open FY 2013 or earlier year State Clean Diesel Program grant by September 30, 2015?
   N/A

4. Yes No Has the State or Territory of Alaska drawn down over 90 percent of its currently open FY 2013 or earlier year State Clean Diesel Program grant funds?
   N/A

5. Yes No If the State or Territory of Alaska has NOT drawn down over 90 percent of its currently open FY 2013 or earlier year State Clean Diesel Program grant funds, and wishes to participate in the FY 2015 funding, then has the State or Territory of Alaska included an updated work plan and schedule detailing the State’s plan (approved by the state’s or territory’s EPA Regional Project Officer) to complete all work and incur all costs by September 30, 2015?
   N/A

FY 2015 PARTICIPATION

1. Yes No Does the State or Territory of Alaska accept the State Clean Diesel Program Fiscal Year 2015 funding?
   X

2. Yes No Does the State or Territory of Alaska tentatively plan to match the base funding awarded in its entirety dollar for dollar for the Fiscal Year 2015 State Clean Diesel Grant Program allocation?
   X
SUMMARY OF PROJECT
(Please write a summary of the work that will be funded with FY 2015 funds.)

DEC is limited in how it can distribute funds and must use state agencies as partners for projects. DEC will explore several options to find eligible projects including:

-Partnering with DOT or other state agencies to fund the installation of verified idle reduction technologies such as fuel operated heaters (FOH) combined with verified exhaust control technologies such as diesel oxidative catalysts (DOC) or diesel particulate filters (DPF) on eligible diesel vehicles. Diesel vehicles often idle during cold winter conditions to maintain cabin warmth for operator comfort. Reducing the need to idle a vehicle to heat the cabin will conserve diesel fuel and reduce emissions. The installation of exhaust controls will provide emissions relief during normal operation of the vehicle.

-Partnering with Alaska Energy Authority’s Rural Power System Upgrade Program to fund engine upgrades, certified engine repowers, or equipment replacement of stationary diesel powered electric generators (genset). Rural Alaska villages are heavily dependent on diesel powered electrical generation and vulnerable to the high cost of diesel fuel. More efficient gensets can reduce diesel consumption and emissions in rural Alaska villages.

SOURCE OF MATCHING FUNDS
(If your state or territory is providing matching funds for the EPA Base amount, then please write a summary which explains the source of these matching funds.)

The State of Alaska plans to match the 2015 funding with state appropriations to the rural power system upgrade program.
State Officer authorized to accept or decline funds.

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<tr>
<th>Signature</th>
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<tbody>
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<td>Name (Print)</td>
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<td>Title</td>
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