FY23/24 Oklahoma Clean Diesel (DERA) Grant

The Oklahoma Department of Environmental Quality (DEQ) has funding available from the fiscal year 2023/2024 (FY23/24) awards under the **Clean Diesel Grant Program,** also called the **Diesel Emissions Reduction Act (DERA)**. This program aims to address the problem of older diesel school buses emitting unhealthy air pollutants. Through this program, 90 school districts have replaced 276 buses in Oklahoma.

FY23/24	**Oklahoma Clean Diesel (DERA) Program**
Total Funding	Approximately $250,000
Availability	All school districts within Oklahoma
Eligible Project Types	Replacement of old diesel-powered school buses with new diesel, gasoline, propane (LPG), natural gas (LNG or CNG), or all-electric powered buses
Application Timeline	Grant Solicitation reopened November 9, 2026. Application period will remain open until all funding has been awarded.
Project timeline	Projects must be completed by May 29, 2026
Engine Model Years Allowed	Original vehicle must be EMY 2009 or older. If replacing with an all-electric bus, then there is no year restriction on the bus being replaced.
Upsizing Not Allowed	Upsizing is not allowed. The new replacement bus must not be of a larger class of Gross Vehicle Weight Rating (GVWR) than the bus being replaced.
Reimbursement	• may **fund up to 25% of the cost** of a new replacement vehicle powered by a 2021 model year or newer engine certified to EPA emission standards. Highway engine emission standards are available here. *(**Application Tip:** Currently, all diesel and gasoline school buses fall in the category for 25% reimbursement.)* • may **fund up to 35% of the cost** of a new replacement vehicle powered by a 2021 model year or newer engine certified to meet CARB's Optional Low-NOx Standards. For help identifying Low-NOx certified engines see the Low NOx Factsheet. A list of certified vehicles is available here. • may **fund up to 45% of the cost** of a new 2021 model year or newer zero-emission (all-electric) replacement vehicle. Eligible cost can include the purchase and installation of one charging unit per vehicle, including the unit and charging cable, mount and/or pedestal.

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Prioritization	There will be no prioritization for this round of applications. The first complete applications with eligible projects will be awarded until funding has been depleted.
Restrictions	Eligible Buses to be replaced must meet all the following: ➢ must be diesel fueled. ➢ must be fully operational, meaning it must be able to start, move, and have all necessary parts to be operational. ➢ must be used to carry a driver and more than ten students to and from school or related events on a regular basis. ➢ must be currently owned and operated by participating fleet owner and for the two years prior to upgrade. ➢ must have at least three years of remaining life at the time of upgrade. ➢ must have accumulated at least 7,000 miles/year during the two years prior to upgrade ➢ must have an engine model year (EMY) 2009 or older, if being replaced with a bus that has an engine certified to meet EPA emissions standards. If the replacement school bus is an all-electric vehicle there is no year restriction on the school bus being replaced. ➢ must be school bus Type A, B, C, or D.
Further Information	DERA Website: https://oklahoma.gov/deq/divisions/air-quality/air-grants-funding-programs/clean-diesel-dera.html

OKLAHOMA Environmental Quality