





Environmental Protection Agency Clean Heavy-Duty Vehicle Grants

> Savana Nance, Alyssa Cunningham Monday, June 10, 2024 NCTCOG & DFW Clean Cities

Who We Are

Regional Planning Agency



Metropolitan Planning Organization (MPO)



Department of Energy-**Designated Clean Cities** Coalition

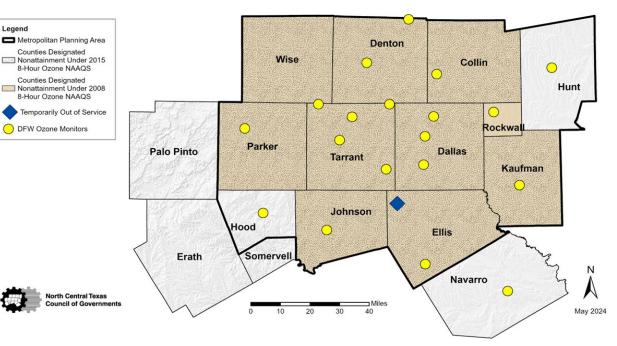




Legend

Counties Designated

Counties Designated



Sister Coalitions in Texas: Alamo Area Clean Cities (San Antonio) **Houston-Galveston Clean Cities** Lone Star Clean Fuels Alliance (Austin)





Dallas-Fort Worth Clean Cities Sponsorship





Interested in Sponsoring DFWCC? Visit https://www.dfwcleancities.org/sponsorships!

Housekeeping

Please keep your microphone muted unless speaking

Questions can be asked in the chat or through the Raise Your Hand feature

Add names, organization and email into chat

Slides will be emailed to attendees after the meeting

Recording and slides will be added to the Dallas-Fort Worth Clean Cities website – www.dfwcleancities.org/events

To listen via phone:

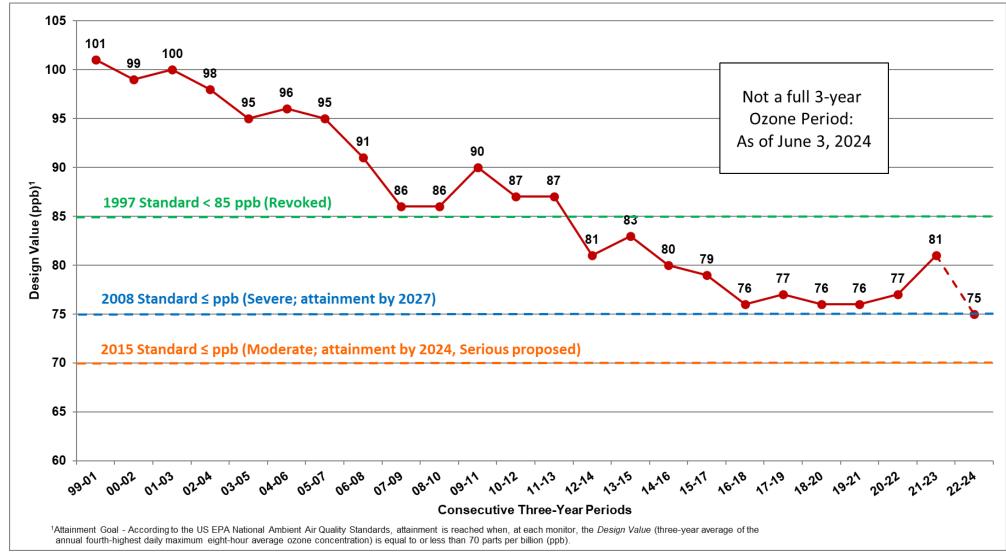
Dial: +1 903-508-4574,, 486933732#

Meeting ID: 242 439 247 301

Passcode: N8SRCZ



Air Quality in DFW

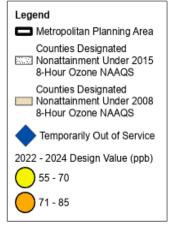


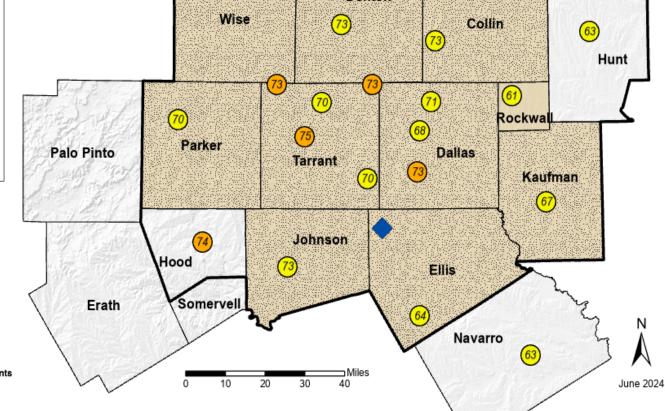


Air Quality in DFW

9 & 10 counties designated Nonattainment for Ozone under the 2008 & 2015 NAAQS, respectively

Potential for Dallas and Tarrant counties to be in Nonattainment for PM_{2.5} under EPA's new NAAQS





Denton



CHDV Grant Program Overview

Administered by the Environmental Protection Agency (EPA), the Clean Heavy-Duty Vehicle (CHDV) Grant Program will award \$932 million to replace non-zero emission Class 6/7 vehicles with zero-emission vehicles (ZEV)

Vocational Vehicles Sub-Program

Class 6/7 vocational vehicles

- Delivery trucks
- Utility trucks
- Bucket trucks
- Box trucks
- Refuse haulers/dump trucks
- Class 6/7 transit buses

Minimum 3 vehicles per application

School Bus Sub-Program

- Eligible Vehicles: Class 6/7 school buses
- Minimum 10 vehicles per application

Program Overview

Eligible Applicants:

- 1. States
- 2. Municipalities
 - Defined as "a city, town, borough, county, parish, district, or other public body created by or pursuant to state law."
 - Includes the governmental bodies (such as school districts) that make up municipal governments
 - NCTCOG can apply on behalf of the region and subaward to both public and private entities
- 3. Indian Tribes
- 4. Nonprofit school transportation associations

Application Minimum and Maximum: \$500,000 to \$60 million per award

Eligible Activities and Costs

Replacement of Vehicles

The replacement of existing eligible non-zero-emission Class 6 & 7 vehicles with eligible ZEV

Zero-Emission Infrastructure

Purchasing, installing, operating, and maintaining infrastructure needed to charge, fuel, or maintain the new ZEV

Training

Workforce development and training related to support the maintenance, charging, fueling, and operation of ZEV

Implementation Costs

Directly related to the implementation, management, and oversight of the project



Eligible Existing Vehicles

Class 6/7 heavy-duty vehicle:

- Fully operational
- Gross vehicle weight rating between 19,501 to 33,000 lbs
- Be an engine model year (EMY) 2010 or older diesel-powered vehicle that will be scrapped If no eligible EMY 2010 or older diesel vehicle is available
 - Scrap an EMY 2010 or older non-diesel ICE powered vehicle
 - Scrap, sell, or donate an EMY 2011 or newer diesel or non-diesel ICE powered vehicle
 - Move an EMY 2011 or newer diesel or non-diesel ICE powered vehicle to a "reduce service" fleet and scrap an EMY 2010 or older reduced-service vehicle in its place

School Bus Sub-Program

Bus that provided service to a public school district for a minimum of 3 days a week on average during the 2022/2023 school year

Vocational Vehicle Sub-Program

Ran 7,000 miles/year for 2 years prior to replacement or idled for at least 500 hours/year for 2 years



Eligible Replacement Vehicle

Class 6 or 7 heavy-duty zero-emission vehicle:

- Engine model year of 2023 or newer that is certified to confirm with all applicable Federal Motor Vehicle Safety Standards
- Be ordered only after EPA official notification of award
- Be purchased, not leased or leased-to-own
- Vocational Vehicle Sub Program must be compliant with Build America, Buy America
- Not be purchased or otherwise subsidized with other **federal** grant funds
 - Can use Private, State or Local funds as matching if those funds are not federal pass-through Can use IRS tax credits, if eligible
 - Commercial Clean Vehicle Credit, which provides up to \$40,000 for qualified commercial clean vehicles
 - Alternative Fuel Vehicle Refueling Property Credit, which provides up to \$100,000 for qualified charging and refueling infrastructure

Total amount of funds from CHDV grant and other eligible external funds cannot exceed the cost of the new vehicles



CHDV Funding

EPA will fund cost share percentage of the new vehicle, up to the per-vehicle funding cap

Project implementation costs are not included or subject to the per-vehicle caps listed on the table

EX: Personnel/benefits, contractual services, consulting on vehicle deployments, travel, supplies, etc.

Vehicle Type	Battery-Electric Vehicles (BEVs)		Hydrogen Fuel Cell Vehicles (FCEVs)	
	EPA Cost Share Percentage of New Vehicle Price	Per-Vehicle Funding Cap (Vehicle + Infrastructure)	EPA Cost Share Percentage of New Vehicle Price	Per-Vehicle Funding Cap (Vehicle + Infrastructure)
School Bus	75%	\$280,000*	N/A	N/A
Straight/Box Truck	65%	\$190,000	80%	\$400,000
Step Van		\$160,000		\$340,000
Septic/Bucket Truck		\$330,000		\$670,000
Other		\$355,000		\$720,000
Refuse Hauler	50%	\$260,000	70%	\$600,000
Street Sweeper		\$315,000		\$720,000
Transit Bus	33%	\$265,000	60%	\$780,000

^{*}ADA-compliant school buses are eligible for an additional \$20,000 per-vehicle funding cap



Eligible Infrastructure

Electric Vehicle Supply Equipment (EVSE)

Limited to installations and upgrades behind the meter up to the charging ports

- Charging equipment (such as alternating current (AC) Level 2 equipment (Energy Star Certified), direct-current (DC) fast charging equipment, or vehicle-to-grid equipment
- Design and engineering
- Installation costs such as trenching, wiring and electrical upgrades, labor, and permitting
- Related intelligent equipment and software designed to monitor vehicle and infrastructure
- Renewable on-site power generation systems
- Compliant with Build America, Buy America Requirement

Hydrogen Fueling Infrastructure

On-site installation and activities, including (but not limited to)

- Storage tanks
- Liquid and gaseous pumps and vaporizers
- Compressors
- Heat exchangers
- Chillers
- Piping and pipelines within the relevant facility
- High-pressure dispensers (including hose, nozzles, and meters)
- Compliant with Build America, Buy America Requirement

Electricians installing, operating, or maintaining EVSE are required to be certified from the Electric Vehicle Infrastructure Training Program (EVITP)



Zero Emission Infrastructure Investments

~\$15M from NCTCOG Charging & Fueling Infrastructure (CFI) Award for EV Charging Stations

~\$70M from NCTCOG CFI Award for Hydrogen Refueling Station

~\$64M from Texas EV Charging Plan

Recommend Locations at <u>Texas Electric Vehicle Charging</u>
<u>Plan | Social Pinpoint (mysocialpinpoint.com)</u>

Texas
Department
Comment

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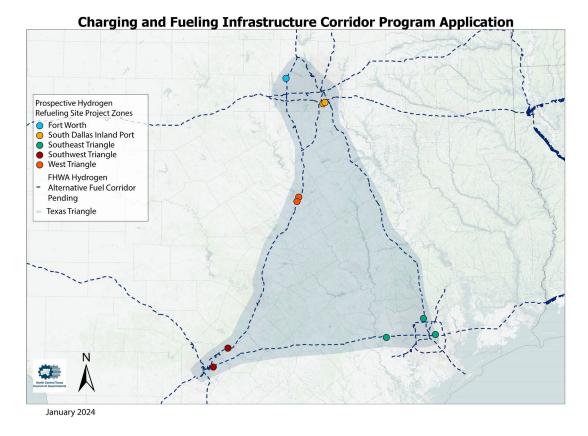
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Ineligible Costs

- Federal matching funds
- Federal financed grants
- Stacking federal funds (except for IRS tax credits)
- Infrastructure work in front of the electric meter
- Non-renewable on-site power generation systems
- Demonstration or commercialization
 Includes research and development, technology demonstration, commercialization, certification, or verification.
- Expenses incurred prior to the project period
- Emissions testing
- Leasing
- Engine replacements/repowers
- Fleet expansion



Programmatic Priorities

EPA will prioritize proposals that include the following:

- Environmental Justice and Disadvantaged Communities
- Nonattainment Areas
- Climate Resilience
- Project Sustainability
- Workforce Development

Next Steps and EPA Resources

Next Steps

If interested in receiving funding for vocational vehicles through NCTCOG, complete the Clean Vehicle Funding Feedback Survey by June 28, 2024

- Survey requests information about desired replacement vehicles and status of fleet
- Completion of survey does NOT guarantee funding if NCTCOG is awarded
- There is no obligation on the part of the entity to replace vehicles through this program
- NCTCOG will open a Call for Projects if awarded
- Completion of survey will help NCTCOG determine amount of funding and vehicles to request

EPA Resources

<u>Clean Heavy-Duty Vehicles Grant Program NOFO</u>
<u>Clean Heavy-Duty Vehicles Program Applicant Resources</u>

Applications are due Thursday, July 25, 2024



Schedule

Milestone	Date
NCTCOG Clean Heavy-Duty Vehicle Webinar	June 10, 2024
EPA CHDV Grant Program Webinar	June 17, 2024
NCTCOG Surface Transportation Technical Committee Recommendation of Regional Transportation Council (RTC) Approval	June 28, 2024
Survey Responses Due	June 28, 2024
NCTCOG Regional Transportation Council Approval	July 11, 2024
NCTCOG Executive Board Approval	July 25, 2024
EPA Application Deadline	July 25, 2024
Anticipated Notification of Selection	November 2024
Anticipated Awards	February 2025
If Awarded, NCTCOG Opens Call for Projects	April-May 2025

Discussion and Q&A



Additional Funding Opportunities

NCTCOG regularly applies and sub-awards funding to the region Pending NCTCOG grant requests currently include:

Diesel Emissions Reduction Act-

- \$3 million
- The replacement of older, diesel on-road and off-road vehicles with newer, lower emission funding (gasoline, diesel, electric, and propane)

Climate Pollution Reduction Program Funding-

- \$199 million to reduce greenhouse gas and criteria pollutants
- \$37 million for clean vehicle projects

Sign up for NCTCOG e-blasts to be informed if NCTCOG is awarded and when funding is made available at www.nctcog.org/stay-informed



Funding - Texas Emissions Reduction Plan

<u>Light-Duty Motor Vehicle Purchase or Lease</u> <u>Incentive Program</u> - Expected to open Spring 2026	New Technology Implementation Grant (NTIG) - Expected to open October 2024
Alternative Fueling Facilities Program (AFFP) - Expected to open Spring 2026	Texas Clean Fleet Program (TCFP) - Expected to open January 2025
Seaport and Rail Yard Areas Emissions Reduction Program (SPRY) – Open through March 4, 2025	<u>Texas Clean School Bus Program</u> (TCSB) - Open through October 14, 2024
Texas Natural Gas Vehicle Grant Program (TNGVGP) - Expected to open September 2024	Emissions Reduction Incentive Grants (ERIG) - Expected to open May 2024
Governmental Alternative Fuel Fleet Grant Program (GAFF) - Expected to open December 2024	Rebate Grants - Open through July 29, 2024

Texas Volkswagen Environmental Mitigation Program

Purchase New Battery or Fuel Cell Electric Vehicle/Equipment to Replace or Repower Existing Diesel	Funding Available to DFW Area as of March 2024 (First-Come, First-Served)	Funding Threshold
Class 4-8 Local Freight or Port Drayage Trucks GVWR 14,001 Pounds and Up Used to Transport Freight, Cargo, or Refuse Model Year 1992-2009	\$466,353	For Government Entities: Up to 100% of Incremental Cost
Class 4-8 School, Shuttle, or Transit Buses GVWR 14,001 Pounds and Up Used to Transport Passengers within a City or Defined Region Model Year 2009 or Older	Ψ+00,333	For Non-Government Entities: <u>Up to 75% of Incremental</u> Cost
Airport Ground Support Equipment Tier 0, Tier 1, or Tier 2 Diesel Equipment 25 HP and Up Used to Service Aircraft Between Flights	\$1,635,703	"Incremental Cost" = the eligible cost of the project less default scrap value* and any other financial incentives, tax credits, etc.
Forklifts and Port Cargo Handling Equipment Tier 0, Tier 1, or Tier 2 Diesel Engines Must have Greater than 9,000 Pounds Lift Capacity	\$500,639	

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^{*}All old vehicles/engines/equipment must be scrapped; default scrap value = \$1000 for replaced vehicles/equipment and \$250 for replaced engines

CONTACT US



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