

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)
NOVEMBER 2024 RAQPAC UPDATE

Texas Emissions Reduction Plan (TERP)

In the current Fiscal Biennium (FY 2024-2025), TCEQ has fully implemented the [Light-Duty Motor Vehicle Purchase or Lease Incentive Program \(LDPLIP\)](#), the [Alternative Fueling Facilities Program \(AFFP\)](#), the [Texas Hydrogen Infrastructure, Vehicle, and Equipment Program \(THIVE\)](#), the [Rebate Grants Program](#), the [Emissions Reduction Incentive Grants \(ERIG\)](#), and the [Texas Clean School Bus Program \(TCSB\)](#).

Currently Accepting Applications:

- [New Technology Implementation Grant Program \(NTIG\)](#), offering grants statewide through January 7, 2025, to implement new technologies that reduce emissions of pollutants from facilities and other stationary sources.
- [Governmental Alternative Fuel Fleet Grant Program \(GAFF\)](#), offering grants statewide through February 5, 2025, to assist with purchasing or leasing new vehicles that operate primarily on compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen (fuel cells), or electricity.
- [Emissions Reduction Incentive Grants \(ERIG\)](#), has been re-opened through February 14, 2025, to offer grants to repower or replace older locomotives, marine vessels, stationary equipment, or select non-road equipment to reduce NO_x emissions in ozone nonattainment areas and affected counties in Texas (competitive selection).
- [Seaport and Rail Yard Areas Emissions Reduction Program \(SPRY\)](#), offering grants on a first-come, first-served basis through March 4, 2024, to replace older drayage trucks and equipment operating at eligible seaports and rail yards.
- [Texas Natural Gas Vehicle Grant Program \(TNGVGP\)](#), offering grants in eligible counties on a first-come, first-served bases through March 4, 2025, to repower heavy-duty or medium-duty vehicles with natural gas engines or replace the vehicles with natural gas vehicles.

Visit www.terpgrants.org for the latest information on new program openings and other announcements, as well as program requirements, application forms, and project summary reports. Contact TERP staff by phone at (800) 919-TERP (8377) or by email at terp@tceq.texas.gov.

Texas Volkswagen Environmental Mitigation Plan (TxVEMP) Program

Currently Accepting Applications:

- [TxVEMP All-Electric Grant Program](#) (through August 31, 2025) has over \$30 million remaining to upgrade or replace qualifying vehicles and equipment operating in eligible areas with new electric models. Grants can reimburse up to:
 - o 100% of the cost for government entities
 - o 75% of the incremental cost for non-government entities
 - o Eligible project categories include the replacement or repower of:
 - Class 8 Local Freight Trucks and Port Drayage Trucks
 - Class 4-8 School Bus, Shuttle Bus, or Transit Bus
 - Class 4-7 Local Freight Trucks
 - Airport Ground Support Equipment
 - Forklifts and Port Cargo Handling Equipment
 - Applicants purchasing on-road vehicles or non-road equipment may request additional funding for electric charging or hydrogen refueling infrastructure.
- [TXVEMP Ferry, Tug, and Switcher Grant Program](#) (through February 14, 2025) similar to the TERP ERIG program, this program is offering grants replace or repower older locomotives or repower marine vessels to reduce NO_x emissions in Texas, with the option to request additional funding for on-site electric charging infrastructure.
 - o Up to 100% for governmental entities; 75% for non-governmental entities.

Sign up for TxVEMP updates to learn more about this program. Please contact us at 1-800-919-8377 or VWsettle@tceq.texas.gov with any questions.

Visit www.txvwfund.org for the latest information on new program openings and other announcements, as well as program requirements, application forms, and project summary reports.

Texas Voluntary Marginal Conventional Well Plugging Program (TxMCW)

Background

- May 8, 2024: TCEQ received \$134 million in grant funding from the Inflation Reduction Act (IRA) – Methane Emissions Reduction Program (MERP) for Mitigating Emissions from Marginal Conventional Wells (MCWs), overseen by the Department of Energy (DOE) / National Energy Technology Laboratory (NETL).

Program Description

- TCEQ is implementing the MERP grant through TxMCW, a program that will cover the costs of measuring methane emissions at participating well sites and plugging those wells.
- At an estimated \$60,000 and \$120,000 per well, TCEQ may award between 1,000 and 2,000 grants for qualifying wells in Texas over a four-year program period.
- Outreach and program development in Spring 2025.

Visit <https://www.tceq.texas.gov/airquality/txmcw> for the latest program information, and [sign up for updates](#) to learn more about this program, or contact us directly:

- Email: TxMCW@tceq.texas.gov
- Phone: [512-239-4950](tel:512-239-4950)