

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

Texas Emissions Reduction Plan (TERP)

- TCEQ began the FY 2024-2025 TERP grant cycle with the [Light-Duty Motor Vehicle Purchase or Lease Incentive Program \(LDPLIP\)](#), which offers first-come, first-served grants statewide for the purchase or lease of a qualifying new light-duty electric (EV) or natural gas vehicle. **As of February 29, 2024, TCEQ has no remaining grants available for light-duty EVs available under the program this biennium. However, TCEQ will continue accepting applications for light-duty natural gas vehicles until March 22, 2024.**
- TCEQ launched the new [Texas Hydrogen Infrastructure, Vehicle, and Equipment Program \(THIVE\)](#) on November 29, 2023, and will continue to accept applications until March 30, 2024. THIVE grants will be awarded competitively in eligible counties for hydrogen vehicles, equipment, and refueling infrastructure.
- TCEQ is currently accepting applications under the [Alternative Fueling Facilities Program \(AFFP\)](#) until March 22, 2024, with \$12 million in competitive grants available for the construction or expansion of electric charging or alternative fueling stations.
- TCEQ is currently accepting applications under the [Texas Clean School Bus Program \(TCSB\)](#) until the earlier of October 14, 2024, or all available funds have been requested, with up to \$20 million available on a first-come, first-served basis to upgrade or replace older diesel school buses with new models.
- **Coming Soon:**
 - *TCEQ plans to open the Diesel Emissions Reduction Incentives (DERI) listed below in May of this year, with an estimated \$150 million in grants available across the two programs:*
 - [Emissions Reduction Incentive Grants \(ERIG\)](#) will offer grants to repower or replace older locomotives, marine vessels, stationary equipment, or select non-road equipment to reduce NOx emissions in ozone nonattainment areas and affected counties in Texas (competitive selection).
 - [Rebate Grants Program](#) will offer grants in eligible counties to upgrade or replace diesel heavy-duty vehicles and non-road equipment on a first-come, first-served basis (first-come, first-served selection).
 - 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 Open:** [TxVEMP All-Electric Grant Program](#) with over \$50 million remaining to upgrade or replace qualifying vehicles and equipment operating in eligible areas with new electric models. Grants can reimburse up to:
 - 100% of the cost for government entities
 - 75% of the incremental cost for non-government entities
 - 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.
- [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.