

## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) JUNE 2024 RAQPAC UPDATE

### Texas Emissions Reduction Plan (TERP)

- To-date, TCEQ has successfully opened and closed the [Light-Duty Motor Vehicle Purchase or Lease Incentive Program \(LDPLIP\)](#), the [Alternative Fueling Facilities Program \(AFFP\)](#), and the new [Texas Hydrogen Infrastructure, Vehicle, and Equipment Program \(THIVE\)](#), with sufficient demand to award all available funding under each of the grant programs (with the exception of the LDPLIP, which had limited demand for grants for natural gas vehicles).
- TCEQ is currently accepting applications under the [Rebate Grants Program](#), the [Seaport and Rail Yard Areas Emissions Reduction Program \(SPRY\)](#), and the [Texas Clean School Bus Program \(TCSB\)](#).
  - **Rebate Grants** is offering grants on a first-come, first-served basis in eligible counties to upgrade or replace diesel heavy-duty vehicles and non-road equipment. At least \$92 million in funds are available under this program, and TCEQ has already received over \$80 million in requested funds. Rebate Grants will accept applications until the earlier of **July 29, 2024**, or until all available funds have been awarded. TCEQ anticipates that funding will go quickly so do not wait to apply! **Note:** a minimum of \$30 million has been set aside for small businesses under the program.
  - **SPRY** is offering grants on a first-come, first-served basis to replace older drayage trucks and equipment operating at eligible seaports and rail yards. SPRY will accept grants until the earlier of **March 4, 2025**, or until all available funds have been awarded.
  - **TCSB** is offering grants on a first-come, first-served basis to upgrade or replace older diesel school buses with new models. TCSB is accepting applications until the earlier of **October 14, 2024**, or all available funds have been requested.
- **Coming Soon:**
  - TCEQ plans to open the [Emissions Reduction Incentive Grants \(ERIG\)](#) in July. ERIG will offer grants to repower or replace older locomotives, marine vessels, stationary equipment, or select non-road equipment to reduce NO<sub>x</sub> emissions in ozone nonattainment areas and affected counties in Texas (competitive selection).
  - Visit [www.terpgrants.org](http://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](mailto:terp@tceq.texas.gov).

### Texas Volkswagen Environmental Mitigation Plan (TxVEMP) Program

- **Currently Open:** [TxVEMP All-Electric Grant Program](#) 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:
  - 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.
- **Coming Soon:** TCEQ plans to open the [TXVEMP Ferry, Tug, and Switcher Grant Program](#) soon (possibly July). This new program will provide grants in priority areas to replace or repower older locomotives or repower marine vessels to reduce NO<sub>x</sub> emissions in Texas, with the option to request additional funding for on-site electric charging 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](mailto:VWsettle@tceq.texas.gov) with any questions.
- Visit [www.txvwfund.org](http://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.