

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ) UPDATE JUNE 2023 RAQPAC UPDATE

Texas Emissions Reduction Plan (TERP)

- TCEQ has opened and closed all of the TERP grant programs this state fiscal biennium. As in recent biennia, the TERP programs were largely over-subscribed, with the exception of the Texas Natural Gas Vehicle Grant Program.
- The next two-year cycle of TERP grants will begin after September 2023.
- 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.

88th Texas Legislature

- The 88th Texas Legislature passed one bill that will impact the TERP programs: House Bill (HB) 4885.
- If signed by the Governor, HB 4885 would become effective September 1, 2023, and would change the Texas Emissions Reduction Plan (TERP) programs to:
 - redistribute funding amounts amongst the TERP initial program allocations and change the allocation for administrative costs from \$16 million per fiscal year to not more than 15 percent of TERP Trust revenue each biennium;
 - establish the Texas hydrogen infrastructure, vehicle, and equipment (THIVE) grant program;
 - increase the amount that TCEQ may contract with the Energy Systems Laboratory at the Texas A&M Engineering Experiment Station from \$216,000 per fiscal year to \$500,000 per fiscal year and add energy efficiency programs administered by the Public Utility Commission (PUC) or the State Energy Conservation Office (SECO), as well as the implementation of advanced building energy codes, to the types of projects that may be included in the contract; and
 - add downstream “refining” oil and gas activities to projects eligible for New Technology Implementation Grant Program (NTIG) grants.

Texas Volkswagen Environmental Mitigation Plan (TxVEMP) Program

- The TCEQ will be opening a new Texas Volkswagen Environmental Mitigation Program (TxVEMP) grant round this summer with an estimated \$88 million in funding available to upgrade or replace vehicles and equipment operating in eligible areas with new electric models. Some entities may qualify to receive up to 100% reimbursement of the cost to adopt all-electric vehicles and equipment. [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.