

Activities Eligible for Funding as Part of the Volkswagen Settlement Environmental Mitigation Trust

On-Road Vehicle Categories					
Note: • All eligible projects must start with a diesel engine; scrappage of old vehicle and engine required for all replacements and repowers • Costs associated with required charging infrastructure and repower installation are also eligible for all projects					
Class 8 Local Freight & Port Drayage Trucks					
Activity	Eligible Fuel Types	TCEQ Final Plan		Vehicle and Equipment Eligibility	Other Funding Options
		Non-Government Owned	Government Owned		<u>EPA Clean Diesel Funding Assistance Program</u>
Repower	Diesel, Alternative Fuel, Hybrid	40%	80%	Engine Model Year 1992 - 2009	TCEQ TERP • Emissions Reduction Incentive Grants • Rebate Grants • Seaport and Rail Yard Areas Emissions Reduction Program • Texas Clean Fleet Program • Texas Natural Gas Vehicle Grant Program
	All-Electric	50%	80%		
Replacement	Diesel, Alternative Fuel, Hybrid	25% (Freight) 50% (Drayage)	80%		
	All-Electric	50%	80%		
Class 7-8 Refuse Haulers					
Activity	Eligible Fuel Types	TCEQ Final Plan		Vehicle and Equipment Eligibility	Other Funding Options
		Non-Government Owned	Government Owned		<u>EPA Clean Diesel Funding Assistance Program</u>
Repower	Diesel, Alternative Fuel, Hybrid	40%	80%	Engine Model Year 1992 - 2009	TCEQ TERP • Emissions Reduction Incentive Grant • Rebate Grants • Texas Clean Fleet Program • Texas Natural Gas Vehicle Grant Program
	All-Electric	50%	80%		
Replacement	Diesel, Alternative Fuel, Hybrid	25%	80%		
	All-Electric	50%	80%		
Class 4-8 School Bus, Shuttle Bus, Or Transit Bus (Eligible Buses)					
Activity	Eligible Fuel Types	TCEQ Final Plan		Vehicle and Equipment Eligibility	Other Funding Options
		Non-Government Owned	Government Owned		<u>EPA Clean Diesel Funding Assistance Program</u> (except Class 4 buses)
Repower	Diesel, Alternative fuel, Hybrid	40%	80%	Engine Model Year 2009 and older	TCEQ TERP • Emissions Reduction Incentive Grant • Rebate Grants • Texas Clean Fleet Program • Texas Clean School Bus Program • Texas Natural Gas Vehicle Grant Program
	All-Electric	50%	80%		
Replacement	Diesel, Alternative Fuel, Hybrid	25%	80%		
	All-Electric	50%	80%		
Class 4-7 Local Freight Medium Trucks					
Activity	Eligible Fuel Types	TCEQ Final Plan		Vehicle and Equipment Eligibility	Other Funding Options
		Non-Government Owned	Government Owned		<u>EPA Clean Diesel Funding Assistance Program</u> (except Class 4 trucks)
Repower	Diesel, Alternative Fuel, Hybrid	40%	80%	Engine Model Year 1992 - 2009	TCEQ TERP • Emissions Reduction Incentive Grant • Rebate Grants • Texas Clean Fleet Program • Texas Natural Gas Vehicle Grant Program
	All-Electric	50%	80%		
Replacement	Diesel, Alternative Fuel, Hybrid	25%	80%		
	All-Electric	50%	80%		
Light Duty Zero Emission Vehicle Supply Equipment					
Activity	Eligible Fuel Types	TCEQ Final Plan		Vehicle and Equipment Eligibility (Engine Model Year or Tier)	Other Funding Options
		Non-Government Owned	Government Owned		<u>TCEQ TERP</u>
Electrical vehicle supply equipment available to public	Electric	50%	50%	Level 1/Level 2/ Direct Connection Fast charging equipment	<u>Alternative Fueling Facilities Program</u>
Electrical vehicle supply equipment available to workplace/multi-unit dwelling		50%	50%		
Light duty vehicle supply equipment available to public	Hydrogen Fuel Cell (includes hydrogen dispensing equipment capable of dispensing hydrogen at a pressure of 70 mega pascals (MPa) (or analogous successor technologies))	33%	33%	Hydrogen refueling station with 250 kg/day dispensing capability available to public	
		25%	25%	Hydrogen refueling station with 100 kg/day dispensing capability available to public	

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Non-Road Equipment Categories					
Airport Ground Support Equipment (GSE)					
Activity	Eligible Fuel Types	TCEQ Final Plan		Vehicle and Equipment Eligibility	Other Funding Options
		Non-Government Owned	Government Owned		<u>EPA Clean Diesel Funding Assistance Program</u>
Repower	All-Electric	50%	80%	Pre-Tier 3 diesel; 3g/bhp-hr and higher spark ignition	<u>NCTCOG</u> North Texas Airport Emissions Reduction 2017 Call for Projects
Replacement	All-Electric	50%	80%		<u>TCEQ TERP</u> Emissions Reduction Incentive Grant
Forklifts and Port Cargo-Handling Equipment (CHE)					
Activity	Eligible Fuel Types	TCEQ Final Plan		Vehicle and Equipment Eligibility	Other Funding Options
		Non-Government Owned	Government Owned		<u>EPA Clean Diesel Funding Assistance Program</u>
Repower	All-Electric	50%	80%	Greater than 8,000 lbs lift capacity	<u>TCEQ TERP</u> • Seaport and Rail Yard Areas Emissions Reduction Program • Emissions Reduction Incentive Grant • Rebate Grants
Replacement	All-Electric	50%	80%		
Ocean Going Vessels (OGV) Shorepower					
Activity	Eligible Fuel Types	TCEQ Final Plan		Vehicle and Equipment Eligibility (Engine Model Year or Tier)	Other Funding Options
		Non-Government Owned	Government Owned		<u>EPA Clean Diesel Funding Assistance Program</u>
Shoreside costs	N/A See Vehicle and Equipment Eligibility	25%	80%	Equipment: cables, cable management systems, coupler systems, control systems, power distribution	<u>TCEQ TERP</u> Emissions Reduction Incentive Grant

"EPA" refers to the Environmental Protection Agency

"TCEQ" refers to the Texas Commission on Environmental Quality

"TERP" refers to the Texas Emission Reduction Plan

TCEQ Disallowed Replacement/Repower of Freight Switchers, Ferries or Tugboats; Not Opting in to State Clean Diesel Program

KEY DEFINITIONS:

"Alternative Fuel" shall mean an engine, a vehicle, or piece of equipment that is powered by an engine that uses a fuel different from or in addition to gasoline fuel or diesel fuel.

"Certified Remanufacture System or Verified Engine Upgrade" shall mean engine upgrades certified or verified by EPA or CARB to achieve a reduction in emissions.

"CHE" refers to Cargo Handling Equipment.

"Drayage Truck" shall mean trucks hauling cargo to and from ports and intermodal rail yards.

"Freight Truck" shall mean trucks with a Gross Vehicle Weight Rating (GVWR) greater than 33,000 lbs. used for freight/cargo delivery (including waste haulers, dump trucks, concrete mixers).

"Government" shall mean a State or local government agency (including a school district, municipality, city, county, special district, transit district, joint power authority, or port authority, owning fleets purchased with government funds), and a tribal government or native village. The term 'State' means the several states, the District of Columbia, and the Commonwealth of Puerto Rico.