

# **FLEET FUNDING OPPORTUNITIES IN TEXAS**

**Texas Chapter**

**Rocky Mountain Fleet Management Association**

**May 29, 2008**

**Lori Pampell**

**North Central Texas Council of Governments**

**Transportation Department**

# FLEET FUNDING OPPORTUNITIES Put Into Context

What in the world does this have to do with Air  
Quality?



# **WHO YOU NEED TO KNOW Partnerships**

**Councils of Government (COGs)**

**Metropolitan Planning Organizations (MPOs)**

**Clean Cities Coalitions**

# WHO YOU NEED TO KNOW

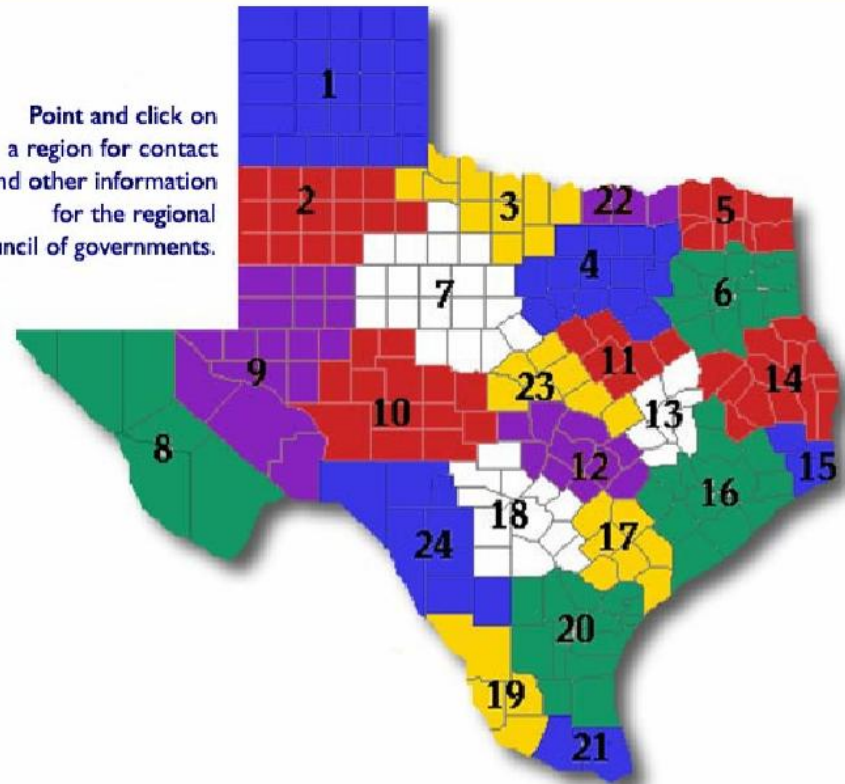
## Councils of Governments (COGs)

State Divided into 24  
Regional Councils

Coordinate Regional  
Planning and  
Problem Solving,  
Including Air  
Quality Issues  
Where Applicable

### Regions

Point and click on  
a region for contact  
and other information  
for the regional  
council of governments.



[www.txregionalcouncil.org](http://www.txregionalcouncil.org)

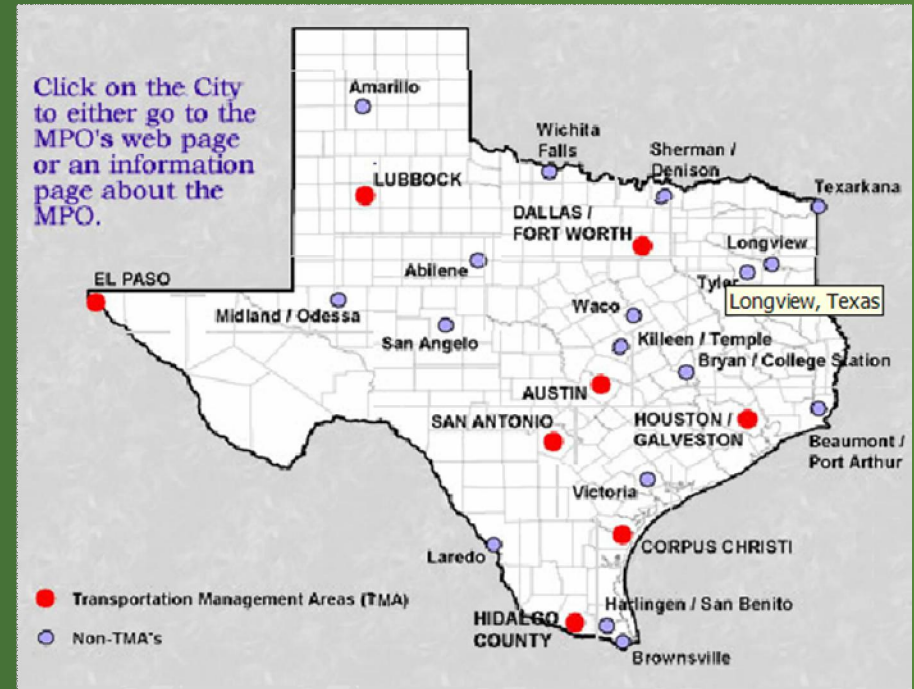
# WHO YOU NEED TO KNOW

## Metropolitan Planning Organizations (MPOs)

Serve Urbanized Areas  
with Populations of  
50,000 or More

Funnel Federal and State  
Funding to Local  
Entities

Oversee Transportation  
Planning



[www.texasmpo.org/](http://www.texasmpo.org/)

# **WHO YOU NEED TO KNOW**

## **Clean Cities**

**Clean Cities was born through the Energy Policy Act of 1992:**

**“To advance the economic, environmental, and energy security of the United States by supporting local practices that contribute to the reduction of petroleum consumption in the transportation sector”**

**Currently the National Clean Cities Program is part of the Energy Efficiency and Renewable Energy's FreedomCAR and Vehicle Technologies Program**

# **CLEAN CITIES COALITIONS**

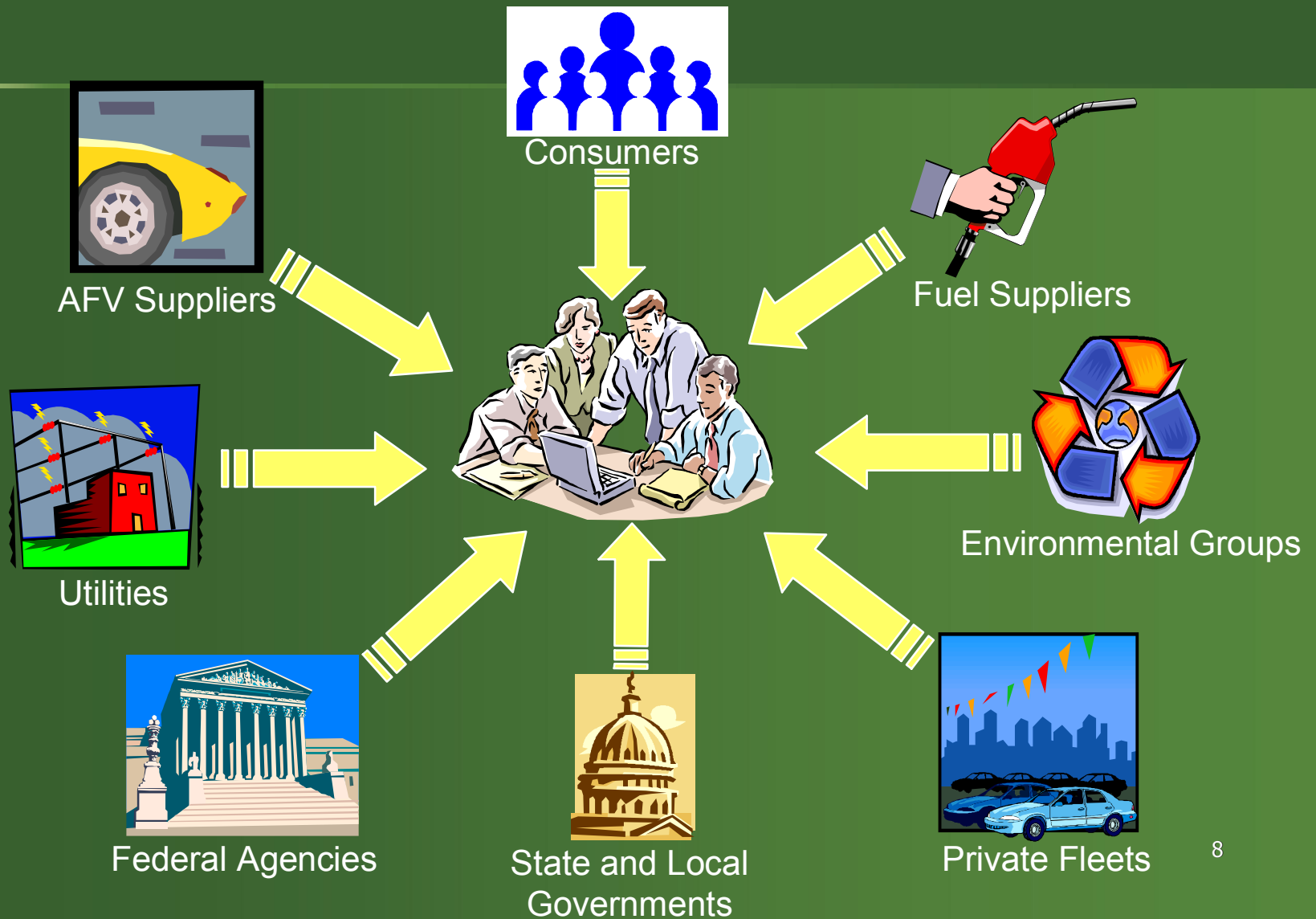
## **Objectives**

### **80 Volunteer Coalitions Develop Public/Private Partnerships to:**

- **Facilitate deployment of alternative fuel vehicles (AFVs)**
- **Support installation of alternative fuel refueling infrastructure**
- **Increase use of fuel blends (i.e. diesel/biodiesel and ethanol/gasoline)**
- **Accelerate sales of hybrid electric vehicles**
- **Promote informed consumer choice on fuel economy**
- **Encourage use of idle reduction technologies and policies for heavy-duty trucks and other vehicles**

# CLEAN CITIES COALITIONS

## Stakeholders



# **CLEAN CITIES COALITIONS**

## **Assets for Fleets**

**Coordinators**

**Coalitions**

**National Goal**

**Technical Support/Information Resource**

- **Alternative Fuels Data Center (AFDC)**
  - **Recognized as Reliable Source of Unbiased Information**
  - **Website Provides Technical Information on Technologies**
  - **Resource for Fleets, Public, and Coordinators**
- **Tiger Teams**
  - **Technical Experts to Solve Implementation Problems**
- **Funding Information**
  - **State and Federal Incentives and Laws**

# CLEAN CITIES COALITIONS Coalition Locations



# CLEAN CITIES COALITIONS

## Texas Coalitions

**Houston/Galveston:**

**Christine Smith**

**Central Texas: Stacy Neef**

**Dallas/Ft. Worth: Mindy Mize**

**East Texas:**

**Rick McKnight**

**Alamo Area: Andy Hudgins**

**Southeast Texas:**

**Bob Dickinson**

**(In Designation Process)**

**Victoria: Joni Brown**



# WHAT YOU CAN APPLY FOR

## Projects that Reduce Emissions

- **Clean Vehicles**
  - Replacements
  - Repowers
  - Incremental Cost of Alternative Fuel Vehicles
- **Clean Fuels/Alternative Fuels**
  - Infrastructure
  - Fuel Use
- **Advanced Technologies**
  - Retrofits
  - Idle Reduction

# TYPES OF ASSISTANCE

## Use Them All

### Grants

- Often Funded as Reimbursement
- Not Intended to Fund “Normal Fleet Attrition”
- Often Come with “Strings”

### Financing Programs

### Tax Credits/Incentives

### Indirect Funding

- Return on Investment

# **WHAT YOU NEED TO APPLY**

## **Know What You Have**

**Establish Fleet Priorities**

**Determine Typical Fleet Turnover Cycle**

**Develop and Maintain a Detailed Fleet Inventory**

- **Model Year**
- **Gross Vehicle Weight Rating**
- **Fuel Type**
- **Annual Mileage**
- **Engine Year**
- **Emissions Standard**

# **WHAT YOU NEED TO APPLY**

## **Know What You Want**

**Alternative Fuels**

**Advanced Conventional Vehicles**

**Advanced Technology Devices**

- **Idle Reduction Devices**
- **Fuel Saving Technologies**
- **Emission Reduction Technologies**

# WHAT YOU NEED TO APPLY

## Know What You Want

### Resources

- Alternative Fuels and Advanced Vehicles Data Center Fleet Guide

[www.eere.energy.gov/afdc/fleets/index.html](http://www.eere.energy.gov/afdc/fleets/index.html)

- EPA Green Vehicle Guide

[www.epa.gov/autoemission/](http://www.epa.gov/autoemission/)

- EPA SmartWay Transport Program

[www.epa.gov/smartway](http://www.epa.gov/smartway)

- EPA National Clean Diesel Campaign

[www.epa.gov/diesel](http://www.epa.gov/diesel)

# FEDERAL FUNDING OPPORTUNITIES

## CMAQ Funding

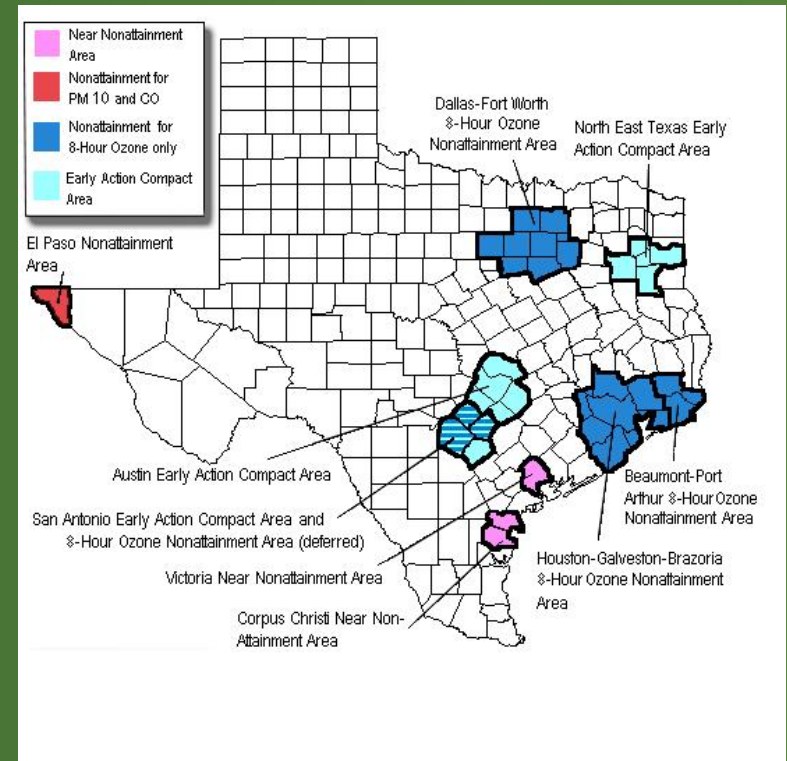
Limited to Nonattainment and Maintenance Areas

Projects Must Address Pollutant(s) of Concern

- Diesel Retrofits Specifically Mentioned

Allocated Through MPOs

- Process Varies



# FEDERAL FUNDING OPPORTUNITIES

## Diesel Emissions Reduction Act

- **First Appropriated in Fiscal Year 2008**
- **Focus on Reducing Diesel Emissions**
- **NOT Restricted to Nonattainment Areas**
- **Funds Awarded through EPA Regions**
  - **Blue Skyways Collaborative**  
[www.blueskyways.org](http://www.blueskyways.org)
  - **EPA Region VI**  
[www.epa.gov/Region6/](http://www.epa.gov/Region6/)

# **FEDERAL FUNDING OPPORTUNITIES**

## **US Department of Agriculture**

### **Office of Rural Development**

#### **Section 9008, Biomass Research and Development Initiative**

- **Individual Grants of up to \$1 Million**
- **Projects that Address Feedstocks for Biofuels**

#### **Section 9006, Renewable Energy and Energy Efficiency Program**

**<http://www.rurdev.usda.gov/tx/>**

# FEDERAL FUNDING OPPORTUNITIES

## EPA SmartWay Transport Program

### SmartWay Innovative Financing

[www.epa.gov/smartway/financing.htm](http://www.epa.gov/smartway/financing.htm)

- Small Business Truck Loans
- SmartWay Finance Center

[www.smartwayfinancecenter.com](http://www.smartwayfinancecenter.com)

### Technology Package Savings Calculator

[www.epa.gov/smartway/calculator/loancalc.htm](http://www.epa.gov/smartway/calculator/loancalc.htm)

- Demonstrates Return on Investment



# **FEDERAL FUNDING OPPORTUNITIES**

## **IRS Tax Credits/Incentives**

### **Credits and Incentives Available For**

- **Advanced Technology/Alternative Fuel Vehicles**
- **Alternative Fuels**
- **Infrastructure**

**Sellers Should Pass Credit Through to Fleets with No Tax Liability in the Form of Lower Purchase Price**

**Most Expire Shortly**

**[www.eere.energy.gov/afdc/progs/fed\\_summary.php/afdc/US/0](http://www.eere.energy.gov/afdc/progs/fed_summary.php/afdc/US/0)**

# **IRS TAX CREDITS/INCENTIVES**

## **Advanced/Alternative Fuel Vehicles**

### **Heavy-Duty Hybrid Electric Vehicle Tax Credit**

- **Up to \$18,000, Manufacturer Must Work with IRS**
- **Expires December 31, 2009**

### **Light-Duty Hybrid Electric Vehicle Tax Credit**

- **Credit Calculated for Each Individual Vehicle**
- **Expires December 31, 2010; Phased Out Early for Some**

# **IRS TAX CREDITS/INCENTIVES**

## **Advanced/Alternative Fuel Vehicles**

### **Fuel Cell Motor Vehicle Tax Credit**

- **Up to \$8,000 through December 31, 2009**
- **Up to \$4,000 after December 31, 2009**

### **Qualified Alternative Fuel Motor Vehicle Tax Credit**

- **Provides up to 80% of Incremental Cost**
- **Natural Gas, Propane, Hydrogen, 85% Methanol**
- **Expires December 31, 2010**

# IRS TAX CREDITS/INCENTIVES

## Alternative Fuels

### Alternative Fuel Excise Tax Credit

- \$0.50/liquid gallon for liquefied natural gas (LNG) or liquefied petroleum gas (propane)
- \$0.50/gasoline gallon equivalent for compressed natural gas (CNG)
- Tax-exempt entities can claim if they have an on-site refueling station

### Biodiesel Income Tax Credit

- For use of 100% pure biodiesel (not biodiesel blends) as on-road fuel
- \$1.00/gallon of pure agri-biodiesel
- \$0.50/gallon of other biodiesel
- Fuel must meet ASTM D6751

# **IRS TAX CREDITS/INCENTIVES**

## **Alternative Fueling Infrastructure**

### **Alternative Fuel Infrastructure Tax Credit**

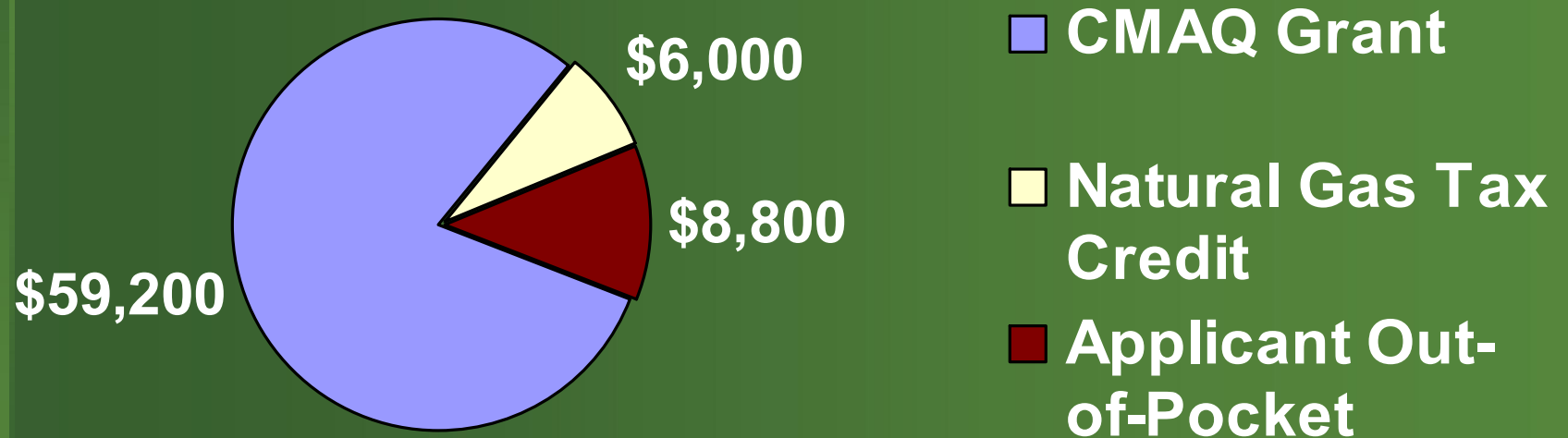
- **30% of Alternative Fuel Refueling Installation Costs, up to \$30,000**
- **Eligible Fuels Include: Natural Gas, Propane, E-85 Ethanol, Biodiesel Blends (Must Contain at Least 20% Biodiesel), and Hydrogen**
- **Expires December 31, 2009 (2014 for Hydrogen)**

# USING MULTIPLE FUNDING SOURCES

## How Do They All Fit Together?

### Purchase of CNG-Fueled F-450 Shuttle Bus

Purchase Price: \$74,000



# STATE FUNDING OPPORTUNITIES

## Texas Emissions Reduction Plan (TERP)

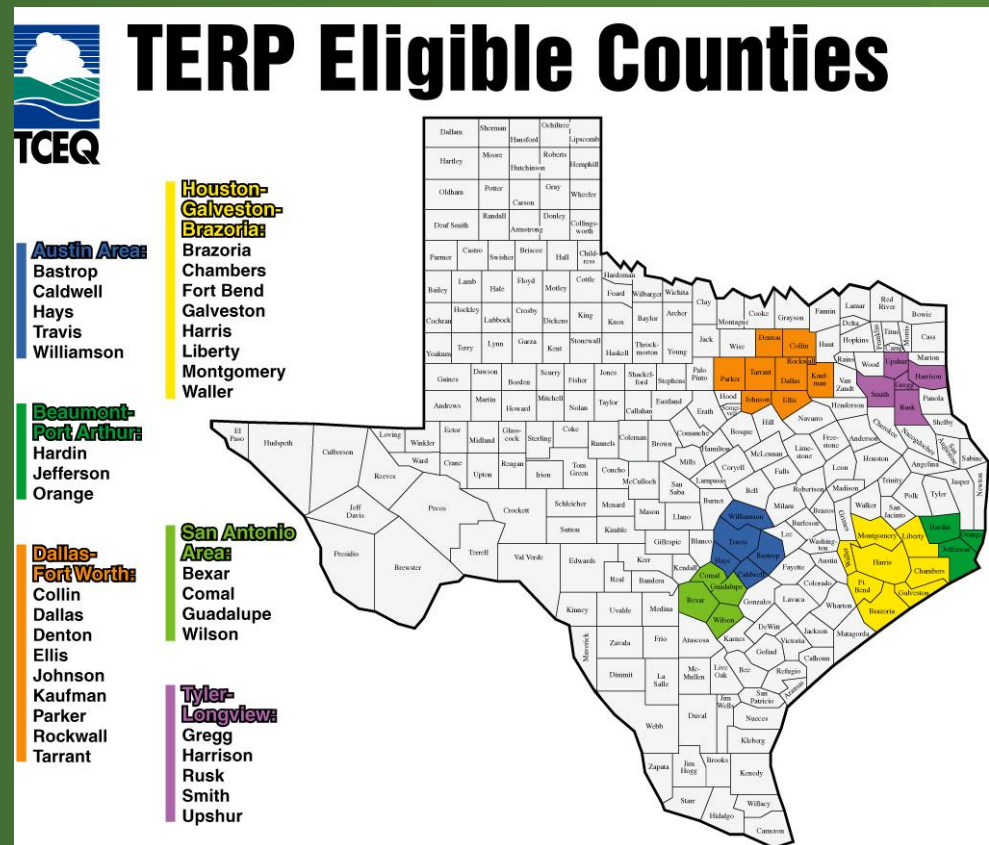
\$290 Million for Fiscal  
Years 2008-2009

Projects Must Achieve  
25% Nitrogen  
Oxides Reduction

Eligibility Based On

- Location
- Vehicle Type

[www.terpgrants.org](http://www.terpgrants.org)



# STATE FUNDING OPPORTUNITIES

## TERP Continued

### Emission Reduction Incentive Grant (ERIG) Program

- **Competitive Grant**
- **Focused on Cost-Effectiveness**
- **Project Types Include Purchase/Lease, Replacement Repower, Retrofit, Idle Reduction, Refueling Infrastructure (Certain Fuels), Rail Relocation**

### Rebate Program

- **First-Come, First-Served**
- **Limited to Diesel Engines**
- **Project Types Include Repower and Replacement**

# STATE FUNDING OPPORTUNITIES

## Texas Clean School Bus Program

- Funds Diesel School Bus Retrofits
- Available Statewide to All Public School Districts and Charter Schools
- Addresses Particulate Pollution
- Up to \$250,000 per Applicant per Request

[www.tceq.state.tx.us/assistance/clean-vehicles/school-buses.html](http://www.tceq.state.tx.us/assistance/clean-vehicles/school-buses.html)



# **STATE FUNDING OPPORTUNITIES**

## **Texas General Land Office**

### **Natural Gas Vehicle Initiative Grant Program**

- **Accepting Applications Through September**
- **Heavy-Duty Vehicles**
- **Limited to TERP-Eligible Counties**
- **Limited to Public-Sector Entities**

**[www.glo.state.tx.us/altfuels/NGIPG.html](http://www.glo.state.tx.us/altfuels/NGIPG.html)**

# **STATE FUNDING OPPORTUNITIES**

## **Texas Railroad Commission**

### **Propane Equipment Grant Initiative and Propane Forklift Grant Initiative**

- **Currently Accepting Applications**
- **Replacement Projects**
- **Online Calculator Estimates Award**
- **Must Apply Through Participating Dealer**
- **Limited to TERP-Eligible Counties**

**[www.propane.tx.gov/rebate\\_program/index.html](http://www.propane.tx.gov/rebate_program/index.html)**

# **MAJOR FUNDING PROGRAMS**

## **Local Funding Opportunities**

**Supplemental Environmental Projects**

**[www.tceq.state.tx.us/legal/sep/find\\_sep.html](http://www.tceq.state.tx.us/legal/sep/find_sep.html)**

**Clean Cities Coalitions**

**MPOs**

**Nonprofit Organizations**

**Environmental Organizations**

# TIPS FOR SUCCESS

## Applications and Implementation

### Applications

- **Be Specific**
- **Provide Technical Documentation**
- **Demonstrate Partnerships and Abilities**
- **Demonstrate Previous Experience/Capability**
- **Ask Questions (Early)**

### Implementation

- **Communicate!!!**
- **Establish Clear Milestones**
- **Leverage Partnerships for Assistance**
- **Ask Questions**

# MAJOR FUNDING RESOURCES

## Learn These Web sites!

Alternative Fuels and Advanced Vehicles Data Center  
[www.eere.energy.gov/afdc/incentives\\_laws.html](http://www.eere.energy.gov/afdc/incentives_laws.html)

National Clean Cities Program  
[www.eere.energy.gov/cleancities/](http://www.eere.energy.gov/cleancities/)

EPA Office of Transportation and Air Quality  
[www.epa.gov/air/grants\\_funding.html](http://www.epa.gov/air/grants_funding.html)

State Energy Conservation Office  
[www.seco.cpa.state.tx.us/seco\\_funding.htm](http://www.seco.cpa.state.tx.us/seco_funding.htm)

NCTCOG Funding Web page  
[www.nctcog.org/trans/clean/vehicles/investments/funding/index.asp](http://www.nctcog.org/trans/clean/vehicles/investments/funding/index.asp)<sub>4</sub>

# CONTACT INFORMATION

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**DFW Clean Cities Coalition**

**[www.cleancities.nctcog.org](http://www.cleancities.nctcog.org)**

**NCTCOG Clean Vehicles Web site**

**[www.nctcog.org/cleanvehicles](http://www.nctcog.org/cleanvehicles)**