



**Texas Commission on Environmental Quality (TCEQ)
Texas Emissions Reduction Plan (TERP)
Emissions Reduction Incentive Grant (ERIG) Program**

MAJOR PROGRAM CHANGES

Below is a summary of the major changes made to the Fiscal Year (FY) 2013 ERIG solicitation.

1. Replacement Projects

- **Vehicles being replaced**

On-road vehicles that have been leased for at least two years prior to the date of the application are now eligible under the Replacement category. If you are replacing a leased vehicle, you must have the authority to destroy the vehicle once you are awarded a grant.

- **Replacement vehicles and equipment**

- New Replacement vehicles must have an engine model year of 2010 or later.
- Replacement non-road equipment must have an engine manufacture year of 2009 or later.

- **Activity Life**

The activity life of **on-road replacements** may end before the number of years chosen as the activity life is reached.

- If the total usage commitment of the activity is 400,000 miles or less, the activity life may end once the grantee has reported 400,000 miles of usage for that activity.
- If the total usage commitment of the activity is greater than 400,000 miles, the option to end the activity life at 400,000 miles is not available.

2. Repower Projects

The maximum eligible grant amount available for Repower projects has changed from 100% of the incremental cost of the repower to **80% of the incremental cost**.

3. On-Vehicle/Equipment Electrification & Idle Reduction Infrastructure Projects

The category is not available for installation of an Auxiliary Power Unit (APU) or other system for providing air conditioning or heating on trucks with a sleeper berth while the truck is parked to avoid overnight idling.

4. Determination of Annual Usage Rate

Applicants will be given the option to choose a default usage rate based on the equipment type (Option 1) or to propose a usage rate higher than the default usage rate offered (Option 2).

All the activities under one project must use the same usage option.

- **Option 1 – Standard Default Usage Rate**

If the applicant chooses to go with the default usage rate, the grantee must meet the percent in area use requirements stated in the application and agreed upon in the contract. The grantee would not be required to meet the actual usage commitment.

All locomotive projects must use the Standard Default Usage Rate.

- **Option 2 – Activity Specific Usage Rate**

If proposing a usage rate higher than the standard default usage rate, the applicant must submit an explanation and documentation of historical use. A site visit will be performed to verify the condition of the equipment and historical use.

- 1) If the TCEQ finds the explanation and documentation of the historic use acceptable, the proposed usage rate will be set as an activity specific default usage rate. The grantee would be required to meet the percent in area use requirements stated in the application and agreed upon in the contract. The grantee would not be required to meet the actual usage commitment.
- 2) If the TCEQ does not find the explanation and documentation of the historic use acceptable, the applicant has three options.
 - a. Install GPS on the activity and meet both the percent in area use requirement and the actual usage commitment made in the application and agreed upon in the contract;
 - b. use the Standard Default Usage Rate for the activity; or
 - c. withdraw the application.

5. Disposition Requirements

On-road replacement activities will require the submission of a Non-Repairable Title as part of the required documentation of successful disposition.