# Texas Commission on Environmental Quality (TCEQ)
# Texas Emissions Reduction Plan (TERP)
# Drayage Truck Incentive Program (DTIP)
# Summary

1. **Funding**
   - The funding for this fiscal biennium is approximately $3 million.

2. **Purpose**
   - To provide incentives for the replacement of vehicles operating at the following seaports and Class I rail yards in nonattainment areas of Texas:

| Seaport Terminals | Rail Yards |
|---|---|
| Barbours Cut Container Terminal (Houston) | BNSF Alliance Intermodal Facility (DFW) |
| Bayport Container Terminal(Houston) | KCS Wylie Intermodal Facility (DFW) |
| Bulk Materials Handling Plan (Houston) | UP Dallas Intermodal Terminal (DFW) |
| Houston Bulk Terminal (Houston) | UP Mesquite (DFW) |
| Care Terminal (Houston) | BNSF Houston Port Facility (HGB) |
| Jacintoport Terminal (Houston) | BNSF Houston Intermodal Facility (Pearland) (HGB) |
| Public Elevator No. 2 (Houston) | KCS Rosenberg (HGB) |
| Turning Basin Terminal (Houston) | UP Barbours Cut (HGB) |
| Woodhouse Terminal (Houston) | UP Englewood (HGB) |
| East End Ro-Ro Cargo Terminal (Galveston) | UP Houston (Settegast) (HGB) |
| Refrigerated Warehouse Terminal (Galveston) | BNSF El Paso Intermodal Terminal (El Paso) |
| Export Grain Elevator (Galveston) | |
| Project and General Cargo Terminal (Galveston) | |
| Bulk Cargo Terminal (Galveston) | |
| West End RO/RO and General Cargo | |
| Port Freeport Terminal Facilities (Freeport) | |

   - To reduce emissions of nitrogen oxides ($NO_x$) and other pollutants, including particulate matter (PM).

3. **Eligible Applicants must have, for the preceding two years:**
   - owned or leased a drayage truck; and
   - operated the truck in one or more of the designated seaports or Class I rail yards for a minimum of 200 visits per year.

4. **Eligible Drayage Trucks for Replacement must:**
   - have five years of remaining useful life;
   - have an engine model year 2006 or earlier; and
   - be a heavy-duty drayage truck with a gross vehicle weight rating (GVWR) greater than 26,000 pounds, **or** a yard truck with an engine rated at greater than 125 horsepower (HP).

5. **Trucks Eligible for Purchase must:**
   - have an engine manufacture year 2010 or later; and
   - be a heavy-duty drayage truck with a GVWR greater than 26,000 pounds and a day cab only, **or** a yard truck with an engine rated at greater than 125 HP.
6. **Eligible Grant Amounts are:**
   - pre-defined based on the engine age and type of truck being replaced;
   - subject to a maximum of 80% of the cost of the new truck; and
   - paid on a reimbursement basis.
7. **Vehicle Destruction**
   - The truck being replaced must be destroyed by drilling a hole in the engine block and cutting frame rails in half, or sending the engine to an authorized remanufacturing facility, if approved by the TCEQ.
   - Unless otherwise approved by the TCEQ, the truck being replaced must be permanently destroyed within 90 days of receiving reimbursement from the state.
8. **Grant recipients must commit to:**
   - an activity life of five years from the date of disposition, as determined by the TCEQ;
   - operate the grant-funded truck in the eligible areas for at least 50% of its annual usage for the duration of the activity life;
   - operate the grant funded truck in one or more of the designated seaports or Class I rail yards and achieve a minimum of 200 visits annually for the activity life; and
   - report on annual usage within eligible areas, and the number of visits to designated seaports or rail yards, at least annually over the activity life.
9. **Prioritization for Funding**
   - During the first 90 days of the grant solicitation period, funding preference will be given to yard trucks replacing drayage trucks.
   - Grants will be awarded on a first come, first served basis.

**For more information, visit www.terpgrants.org or call the toll-free TERP hotline at 1-800-919-TERP (8377).**