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Texas Clean Fleet Program:

Guidelines for Exception Applications

**Texas Clean Fleet Program:
Guidelines for
Exception Applications**

Prepared by

Technical Analysis Division

RG-361
July 2004



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Chapter 1. Introduction

This guide has been developed by the *Texas Commission on Environmental Quality (TCEQ)* to explain the *exceptions* process of the *Texas Clean Fleet (TCF) Program*. (Terms that are italicized when they are first used are explained further in the “Glossary of Terms” on page 11). This guide explains each exception, the requirements for eligibility, and how to apply for your exception.

This guide should be used as a companion to the rules included in the Texas Administrative Code, Title 30, (30 *TAC*) Sections (§§) 114.1, 114.3, 114.150–151, 114.153–157, and 114.201–202. This guide does not take the place of the statutes or rules.

The TCF Program requires private, *local government*, and transit fleet owners in certain areas to acquire a percentage of *low-emission vehicles (LEVs)* when replacing or adding *fleet vehicles*. LEVs reduce tailpipe emissions of volatile organic compounds, oxides of nitrogen, and carbon monoxide. To learn more about the *TCF Program*, read the TCEQ publication, *Guidelines for Private and Local Government Fleets* (RG-321). To learn how to bank emission *credits*, read *Guidelines for Vehicle Emission Credits* (RG-322). If you have any questions, call the TCEQ’s Mobile Source Programs Section at 512/239-1459. The section can be reached by mail as follows: Mobile Source Programs Section, MC-164, Texas Commission on Environmental Quality, PO Box 13087, Austin, TX 78711-3087.

How to Get TCEQ Forms, Rules, and Publications

There are several ways to get more information on the TCF Program:

- On the Web, go to **www.tceq.state.tx.us** and locate the link to “Forms & Publications,” or “Subject Index,” then use keyword “Clean Fleet Program.”
- Direct e-mail inquiries to **aqp@tceq.state.tx.us**.
- Fax publication orders to 512/239-4488, or order by voice at 512/239-0028, the TCEQ Publications unit.

- Write to TCEQ Publications, MC-195; P.O. Box 13087; Austin, TX 78711-3087.

In fax, voice, or written requests, you can speed up your order by giving the full, exact name of the item and its identifying number. A complete listing of all TCEQ publications is available on the TCEQ Web site (www.tceq.state.tx.us) under the “Forms & Publications” link.

Chapter 2. Program Elements

The Five Exceptions

The TCEQ has adopted provisions that allow fleets affected by the TCF Program to apply for an exception to the LEV purchase requirements.

The *executive director* of the TCEQ is authorized to make these exceptions available to affected *local government* and *private fleets*. If you request an exception, you must provide sufficient information to document the conditions for which the exception is being considered. This information should be submitted to the TCEQ, during the last 12 months of the two-year compliance period, on the blank Exception Application Form (TCEQ-10275) in Appendix A, page 37.

Here is a brief description of each of the five exceptions to the LEV purchase requirements. For more information on each exception, see Chapter 4. Instructions for Exception Applications, Part III, starting on page 15.

A. Fixed-Price Contract

You may be eligible for this exception if your organization entered a fixed-price contract before September 1, 1997, with a public works agency. You must prove that complying with the LEV percent-of-purchase requirements would result in substantial economic harm to your organization.

B. Unavailability of Fuel

You may be eligible for this exception if the only LEVs that meet your fleet's normal operating requirements are *alternatively fueled vehicles (AFVs)*. You must prove that the closest alternative fuel refueling facility is outside of the normal operating range of your fleet.

C. Unavailability of Financing for Refueling

You may be eligible for this exception if the only LEVs that meet your fleet's normal operating requirements are AFVs. You must prove that you have been unable to secure financing from, or through, the proposed fuel supplier(s) to cover the additional cost of refueling.

D. Cost of Fueling Comparison

You may be eligible for this exception if the *projected net cost* for fueling LEVs is 5 percent over the cost to fuel *conventional vehicles*. Costs must be measured over the expected useful life of the *vehicles*. Your cost calculations must include available state and federal funding or incentives.

E. Unavailability of LEVs

You may be eligible for this exception if your fleet cannot purchase original equipment manufacturer's vehicles, or converted vehicles, *certified* by the *U.S. Environmental Protection Agency (EPA)* as LEVs that meet your fleet's normal operating requirements.

The first thing you need to know about these exceptions is what they do, and don't do, for your *fleet*.

What is an exception?

An exception is a delay in enforcement for ***up to*** a two-year period.

Example. If a fleet received an exception before the September 1, 2004 deadline it would not be required to demonstrate compliance with the LEV purchase requirement for the 2002-2004 control period. However, the affected fleet would still be required to file its Registration/Reporting Form by September 1, 2004 and would still be required to meet the LEV percent of purchase requirements for the 2004-2006 control period. Alternatively, the affected fleet could submit a new exception application between September 1, 2005, and September 1, 2006.

Will an exception get me out of the program?

An exception does not take you out of the TCF Program. Even if you received an exception for a particular compliance period, you would still need to meet the other requirements of the TCF

Program, such as biennial reporting. In addition, you would still be required to meet the percent-of-purchase requirements for the next compliance period, unless you apply for, and receive, a new exception.

Regulations Governing Exceptions

Where are the rules governing exceptions?

The exceptions are defined in the TCF Program rules in 30 TAC Subchapter E, Sections 114.153 and 154. The review process for exceptions can be found in the same place. To get a copy of all the rules governing the TCF Program see “How to Get TCEQ Forms, Rules, and Publications” on page 1.

How do I apply for an exception?

To request an exception for your fleet from the LEV requirements of the TCF Program, you must:

- ***Complete an application and submit it to the TCEQ before the compliance deadline.*** Exception Application Form (TCEQ-10275) covers all five exceptions. The instructions for the application start on page 15, and they include a completed sample starting on page 23. For a blank form, see Appendix A. You may submit your application on the original form or a copy. All applications should be typewritten. The completed application must be submitted before the compliance deadline (the last day of the two-year compliance period).
- ***Submit an updated TCF Registration/Reporting Form (TCEQ-10211 or TCEQ-10212) along with your application.*** You will find a copy of this form and its instructions in *Guidelines for Private and Local Government Fleets* (RG-321). To get a copy of RG-321, see “How to Get TCEQ Forms, Rules, and Publications” on page 1.
- ***Include any documentation needed to demonstrate your eligibility for an exception.*** You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

If you prefer, you can duplicate this application using word processing software, and submit it along with all requested information, and any attached supplements, on 3.5-inch computer diskettes or on a CD-ROM.

We will only accept forms compatible with WordPerfect word processing software. In some cases you may need to provide numerical information, such as cost comparison spreadsheets. For numerical data we will accept any of the following computer data types:

- ASCII, comma-delimited, text files;
- Paradox compatible database files; or
- Quattro Pro compatible spreadsheet files.

Mail your completed application before the compliance deadline, and all related correspondence, to: TCF Program Exception Applications, TCEQ, MC-164, P.O. Box 13087, Austin, Texas, 78711-3087. Please retain a copy for your records.

New applications received after the compliance deadline will not be accepted. If you have questions, or need assistance with your application, please call 512/239-1459.

What is the TCEQ's approval process?

The TCEQ will approve your application if we find that you have provided enough documentation to demonstrate your eligibility for the exception. You are responsible for providing accurate documentation. The approval process has three phases: an administrative review, a technical review, and the final approval/denial determination.

The review process starts when you submit an Exception Application Form (TCEQ-10275) to the TCEQ. Once received, we will check to see if it has all the information necessary to be "administratively complete." This means that you have sent us all the forms, they have been properly filled out, and you have enclosed the required supporting documentation. If the application is complete, the technical review will begin. If we find that more information is needed at any time during the administrative or technical review, you will be notified. Changes may be made only by you, or your agent, and only in the form of a signed, written amendment to the application.

Once all required information has been received, and the technical review completed, we either approve or deny your application. A letter announcing the decision will be mailed to you. The executive director of the TCEQ, or his designee, has final authority for approving or denying applications. The executive director will decide all exception requests on a case-by-case basis, subject to the criteria detailed in this guidance manual.

Your application will not be accepted if you have not submitted the TCF Registration/Reporting Form (TCEQ-10211 or TCEQ-10212) along with your application. If we return your application for this reason, we will

include *Guidelines for Private and Local Government Fleets* (RG-321) which contains the blank reporting forms. To get a copy of RG-321 see “How to Get TCEQ Forms, Rules, and Publications” on page 1.

How soon will I hear from the TCEQ?

Applications are processed in the order in which they are received. We encourage you to submit your application well in advance of the compliance deadline to ensure a timely response. The regulations allow your application to be submitted anytime during the last 12 months of the two-year compliance period.

Example. If the compliance deadline is September 1, 2004, we will accept applications as early as September 1, 2003.

If there is a backlog, you will not be considered in violation of the LEV purchase requirements while your application is being reviewed by the TCEQ.

What happens if my application is approved?

If your application is approved you will be mailed a notice of exception from the LEV requirements of the TCF Program. The exception approval notice will include the following information:

- your assigned fleet identification number;
- your name and address;
- the category of exception granted;
- the regulation to which the exception may be applied, for example, Section 114.151 (b) (1);
- the date on which the exception was granted;
- the compliance period covered by the exception; and
- the next compliance period.

How long should I keep my approval letter?

You should keep a copy of this letter at the reported fleet address for three years after the compliance deadline. All TCF records must be made available to the TCEQ for inspection upon request.

Example. For the compliance period ending September 1, 2004, we recommend you retain copies of your exception at least until September 1, 2007. We will also retain a copy of the exception approval notice.

How long will my exception last?

If you receive a two-year exception, it will start from the *beginning* of the compliance period you were in when you applied for the

exception, until its end. According to the regulations, your application must be submitted during the last 12 months of a two-year compliance period. So, exceptions are always granted, in part, retroactively (see chart below).

Table 1. 2002–2004 Exception Example

1 st Compliance Year (9/1/2002–9/1/2003)	2 nd Compliance Year 9/1/2003–9/1/2004
No exception applications accepted.	Exception applications accepted
An approved exception covers these two years.	

From the example above, you can see that if a fleet were granted a two-year exception on October 1, 2003, it would not be penalized for failing to meet the LEV purchase requirements starting from September 1, 2002, through September 1, 2004.

What happens after my exception expires?

After your exception expires, you will be required to meet the LEV percent of purchase requirements for the next two year control period. If you want to renew your exception, you must submit a new application during the 12-month period before the next compliance deadline.

What if my application is not approved?

We will mail you an exception denial. It will include the reason(s) for the denial.

If it was denied, you must resubmit the entire application in order to make changes. We will view this submittal as a brand new application. Please submit your application early so that you will have time to address any deficiencies and resubmit it. We will not accept any new applications received after the compliance deadline. They will be returned to the applicants.

Example. For the compliance period September 1, 2002, through September 1, 2004, we will not accept any new applications postmarked after September 1, 2004.

Your fleet will be considered in compliance with the LEV purchase requirements of 30 TAC Sections 114.150 and 151 while your

application is under review by the TCEQ, if your application was submitted before the compliance deadline.

However, your fleet may be found in violation of these sections if **all** of the following apply:

- your exception request is denied by the TCEQ,
- the applicable compliance deadline has passed, **and**
- your fleet is not in compliance with the requirements of the TCF Program.

Under these conditions, a Notice of Violation could be issued to your organization for noncompliance with the LEV requirements of the TCF Program.

If you have any questions about the exception process or why an exception request was denied, call 512/239-1459.

Enforcement Authority

The Texas Health and Safety Code (THSC) provides the TCEQ with broad enforcement powers. THSC, Section 382.002, states that:

It is intended that this chapter be vigorously enforced and that violations of this chapter or any rule or order of the Texas Commission on Environmental Quality result in expeditious initiation of enforcement actions as provided by this chapter.

THSC Section 382.011 grants the TCEQ the powers necessary or convenient to carry out program responsibilities. In addition, the Commission is charged with the duty to enforce the THSC, rules promulgated under the THSC, and TCEQ orders.

The TCEQ's enforcement powers include civil lawsuits and administrative and criminal proceedings. Through administrative proceedings, the TCEQ can impose orders to achieve compliance accompanied by penalties of up to \$10,000 per day per violation. The executive director of the TCEQ may also pursue civil legal proceedings through the Office of the Texas Attorney General. Fines of up to \$25,000 per day per violation, injunctions, court orders, and cost of litigation can be assessed in a civil action under the THSC. Under criminal proceedings, failure to comply with the TCF requirements can result in criminal penalties of up to \$100,000 and/or incarceration of up to 180 days.

Handling Confidential Information

The TCEQ suggests that fleets NOT submit confidential information on an application. However, if this cannot be avoided, the document should be conspicuously marked “CONFIDENTIAL” in red ink.

Usually, the TCEQ will not release any information marked as confidential to the general public. However, in the case of a public request for information under the Freedom of Information Act, the Office of the Texas Attorney General will be asked to decide whether the TCEQ is required to release information marked as confidential.

Chapter 3. Glossary of Terms

The following brief explanations of terms are provided as a convenience for readers of this document. These explanations do not take the place of any full, formal definitions in state or federal laws and regulations.

Affected area. Any consolidated metropolitan statistical area or metropolitan statistical area with a population of 350,000 or more that, under the *National Ambient Air Quality Standards (NAAQS)* set by the Federal Clean Air Act Amendments (FCAA Amendments), is a serious, severe, or extreme *nonattainment area*.

AFVs. Alternatively fueled vehicles.

Capable of operating. A vehicle having the necessary permanently installed equipment that enables a vehicle to use a specified fuel.

Certified. A vehicle that has been issued a certificate of conformity by the EPA to ensure compliance with the required emission standards throughout the entire useful life of a vehicle.

CNG. Compressed Natural Gas.

Conventional vehicle. A vehicle that meets all applicable federal emission standards in place at the time of manufacture but is not certified as a low-emission vehicle.

Credit. A *Mobile Emission Reduction Credit (MERC)*, *Program Compliance Credit*, or other reduction in emissions that has been banked with the TCEQ.

EPA. The United States Environmental Protection Agency.

Exception. The TCEQ has adopted provisions to the rules on fleets that allow an organization affected by the TCF Program to apply for an exception to the requirements. The executive director of the TCEQ is authorized to make these exceptions available to affected local government and private fleets. The review process for exceptions to the LEV requirements of the TCF Program is guided by the regulations cited in 30 TAC Section 114.153.

Fleet operators requesting an exception from the LEV requirements of the TCF Program must provide sufficient information to document the conditions for which the exception is being considered. Use the Exception Application Form (TCEQ-10275) to send this information to the TCEQ during the last 12 months of the two-year compliance period.

Executive director. The executive director of the Texas Commission on Environmental Quality, or any individual authorized to act for the executive director.

FCAA. Federal Clean Air Act enacted in 1970.

FCAA Amendments. Federal Clean Air Act Amendments enacted in 1990.

Fleet. The aggregate of the vehicles under the authority of a local government or *private entity* and operated primarily within an affected area.

Fleet vehicle. A vehicle registered or required to be registered under the *TTC*, Chapter 502, except school buses. The term **does not** include:

- a vehicle owned or operated by an affected organization that, when not in use, is *normally parked* at the residence of the individual who *normally operates* it;
- a vehicle that has a *Gross Vehicle Weight Rating (GVWR)* over 26,000 lbs. (this is the weight of the vehicle as given on the vehicle's registration and includes the weight the vehicle can carry or pull);
- a vehicle used in the maintenance or repair of underground *mass transit* facilities that is required by federal law or regulation to operate on diesel fuel; or
- a law enforcement or emergency vehicle, as defined by the *TTC*.

Gross vehicle weight rating. The value specified by the manufacturer as the maximum design loaded weight as expressed on the vehicle's registration, and includes the weight the vehicle can carry or draw.

GVWR. Gross vehicle weight rating.

Leased vehicles. Vehicles contracted for lease for a period of 90 days or more.

LEV. Low-emission vehicle.

Local government. A city, county, municipality, or political subdivision of a state. This term does not include school districts.

Low-emission vehicle. A vehicle in a class or category of vehicles that has been certified by EPA for any model year to meet:

- the LEV standards applicable under the FCAA Amendments; or
- emission limits at least as stringent as the applicable LEV standards for the FCFE Program.

Mass Transit Authority. A transportation or transit authority as defined in the TTC, Chapters 451–453 (relating to Metropolitan Rapid Transit Authorities, Regional Transportation Authorities, and Municipal Transportation Authorities), that operates a mass transit system under any of those laws.

MERC. Mobile Emission Reduction Credit.

Mobile Emission Reduction Credit. A credit obtained by reducing emissions from a *mobile source*.

Mobile source. A *nonstationary source* of air emissions that may contribute to air pollution, most commonly a motor vehicle.

NAAQS. National Ambient Air Quality Standards.

National Ambient Air Quality Standards. Federal air quality standards established by the EPA to protect the public from exposure to harmful amounts of six air pollutants: ozone, lead, carbon monoxide, sulfur dioxide, nitrogen dioxide, and breathable particulate matter.

Nonattainment area. A defined region within the state that is designated by EPA as failing to meet the NAAQS for a pollutant for which a standard exists.

Normally operates. A person “normally operates” a vehicle if he or she operates it more than 50 percent of the time.

Normally parked at the residence of an individual. The vehicle's parking place after business hours is normally (more than 75 percent of the time) at the residence of the person who operates the vehicle.

PCC. Program Compliance Credit.

Private entity. Any individual, partnership, firm, company, business trust, corporation, organization, or association that owns, operates, or controls a fleet.

Private fleet. All fleet vehicles operated by a private entity.

Program Compliance Credit. Credits that may be granted to a fleet for exceeding the LEV requirements of the TCF Program.

Projected net cost. All expenses associated with the fueling of fleet vehicles after deductions of any available state or federal funding or incentives for the use of LEVs.

Purchases. The purchase, acquisition, or lease of vehicles (new or used) for operation in a fleet.

Registered vehicle. A motor vehicle licensed for use on public roadways.

Stationary source. Nonmoving sources of air pollution, such as power plants and refineries.

TAC. Texas Administrative Code.

TCEQ. In this manual, “TCEQ” means the Texas Commission on Environmental Quality, including the commissioners, the executive director, and staff.

TCF Program. Texas Clean Fleet Program.

Texas Clean Fleet Program. The program established in Title 30 of the TAC. Provisions for it are found in Sections 30 TAC 114.1, 114.3, 114.150–151, 114.153–157, and 114.201–202.

THSC. Texas Health and Safety Code.

TTC. Texas Transportation Code.

ULEV. Ultra-low-emission vehicle.

Ultra-low-emission vehicle. A vehicle that has been certified by the EPA as an ultra-low-emission vehicle.

Vehicle. A self-propelled device designed to operate with four or more wheels in contact with the ground, in or by which a person or property is or may be transported, and that must be registered under the TTC, Section 502.002.

VMT. Vehicle miles traveled.

Chapter 4. Instructions for Exception Applications

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application. A sample completed form appears at the end of these instructions.

Part I. Organization Information

Enter all information requested to correctly identify your fleet. Your Fleet ID Number is the number assigned to your fleet when it was originally registered with the TCF Program.

Part II. Updated Fleet Report

Check the box to indicate that you have attached your updated TCF Registration/Reporting Form (TCEQ-10211 or TCEQ-10212) along with your application. You will find a copy of this form and its instructions in TCEQ publication RG-321, *Guidelines for Private and Local Government Fleets*. To get a copy of RG-321, see “How to Get TCEQ Forms, Rules, and Publications” on page 1.

Part III. Exception Information

Mark the exception(s) you are applying for, and proceed to the designated section(s).

Section A. Fixed-Price Contract

When applying for the fixed-price contract exception, at a minimum you must demonstrate that:

- your organization is engaged in a fixed-price contract with a public works agency;
- the contract was entered into before September 1, 1997; and
- your organization will suffer substantial economic harm if it has to meet the LEV percent-of-purchase requirements.

You must include copies of the relevant contracts.

Please fill in your fleet identification number on the top of each page.

1. Analysis of Substantial Economic Harm. Explain how, and by what means, your organization would suffer economic harm if it complied with the requirements of the TCF Program. This explanation must include enough detail to accurately determine loss.

2. Contractual Parties. Provide the company name, address, contact person, and telephone number for all parties involved with the contract.

3. Terms of Contract. Provide the date the contract became effective and the date on which it will expire. Then, provide the terms of the contract that will support your claim of substantial economic harm.

We have provided a sample completed form for Section A starting on page 25

Section B. Unavailability of Fuel

When applying for the unavailability of fuel exception, at a minimum you must demonstrate that:

- the only LEVs that meet your fleet's normal operating requirements are *AFVs*; and
- the closest alternative fuel refueling facility is outside the normal operating range of your fleet.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list:

<http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet's normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability of fuel.

Please fill in your fleet identification number on the top of each page of the form.

1. Description of Fleet's Normal Operating Requirements. Describe the operational needs of your fleet.

2. List the LEVs and Fuels That Meet Your Fleet's Operating Requirements. Demonstrate that there are no gasoline-powered LEVs available that would meet these operational needs. List the LEVs that

would meet your fleet's requirements and which fuels they would require.

3. Fleet Base Location. Provide the location where your fleet vehicles are garaged overnight or parked when not in service. This information should include the physical street address, city, state, ZIP code, and county.

4. Normal Operating Range. Describe the normal operating range of your fleet including a copy of a map identifying the area, the estimated square miles, and the names of bordering cities and counties.

Please submit documentation, such as copies of route slips, logbooks, or vending licenses to justify your fleet's normal operating range.

5. Nearest Alternative Fuel Refueling Facility. Provide the name, address, and county of the nearest alternative fuel refueling facility. Include the distance from your fleet's operating range.

We have provided a sample completed form for Section B starting on page 27.

Section C. Unavailability of Financing for Refueling

When applying for the unavailability of financing exception, at a minimum you must demonstrate that:

- the only LEVs that meet your fleet's normal operating requirements are AFVs; and
- you have been unable to secure financing from or through the proposed fuel supplier(s) to cover the additional cost of refueling.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list:

<http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet's normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability of financing for fueling.

Please fill in your fleet identification number on the top of each page.

1. Your Fleet's Normal Operating Requirements. Describe the operational needs of your fleet.

2. LEVs/Fuels That Meet the Operating Requirements. Demonstrate that there are no gasoline-powered LEVs available that would meet these operational needs. List the LEVs that would meet your fleet's requirements and which alternative fuels they would require.

3. Financing Needed. List the type and amount of financing required to secure refueling for the use of LEVs, over and above your current refueling costs. Provide quotes, bids, or other supporting documentation.

4. Financing Offered. Provide the name of the proposed fuel supplier(s). This information should include the company's name, a contact person at the company, phone number, and the type and amount of financing available.

5. Why Are You Unable to Secure Financing? Explain why your organization is unable to secure financing from a fuel supplier(s) to cover the additional cost of refueling LEVs.

We have provided a sample completed form for Section C starting on page 29.

Section D. Cost of Fueling Comparison

When applying for the cost of fueling exception, at a minimum you must demonstrate all of the following:

- The only LEVs that meet your fleet's normal operating requirements are AFVs.
- The projected net cost for the fueling of LEVs is 5 percent over the cost for fueling conventional vehicles.
- These costs must be measured over the expected useful life of the vehicles. Your cost calculations must include available state and federal funding or incentives.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list:

<http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet's normal operating requirements, then the TCEQ cannot grant an exception based on the additional cost of fuel.

Please fill in your fleet identification number on the top of each page.

1. Your Fleet's Normal Operating Requirements. Describe the operational needs of your fleet.

2. LEVs/Fuels That Meet the Operating Requirements. Demonstrate that there are no gasoline-powered LEVs available that would meet these operational needs at equivalent prices. List the LEVs that would meet your fleet's requirements and which fuels they would require.

3. Explain Which Vehicles You Will Use for Your Cost Comparison. Describe the conventional vehicles and **alternatively fueled LEVs** you will use for your cost of fueling comparison. Explain why the alternatively fueled LEV you have chosen is the most suitable for your fleet. The two vehicles you will compare must offer a fair comparison between like vehicles (such as heavy duty vs. heavy duty, or automobile vs. automobile, not light duty vs. heavy duty).

4. Costs for Central Fueling. Describe any central fueling costs required for the use of alternatively fueled LEVs, over and above your current refueling costs. Costs should be measured over the expected useful life of the vehicles. Provide quotes, bids, or other supporting documentation.

5. Projected Net Cost Comparison. Compare the projected net cost for fueling alternatively fueled LEVs and conventional vehicles measured over their expected useful life. At a minimum this cost comparison should include all of the following:

Annual Fuel Cost

- a. Vehicle make/model/fuel from question 3 above.
- b. The average annual vehicle miles traveled (VMT) for the alternatively fueled LEV and conventional vehicle you chose to compare.
- c. The average miles per gallon for the LEV and conventional vehicle.
- d. The price per gallon of fuel required by the LEV and conventional vehicle.
- e. Divide the VMT (b) by miles per gallon (c) to calculate the number of gallons of fuel used per year. Multiply number of gallons by price per gallon (d) to find your **average annual fuel cost per vehicle**. Do this calculation for both LEVs and conventionally fueled vehicles.

Lifetime Fuel Cost

To adequately compare the cost of fuel for LEVs in your fleet, over the lifetime of the vehicles, you must also include:

- f. The number of LEV and conventional vehicles you intend to purchase or lease.
- g. The vehicle turnover rate in years for the LEV and conventional vehicles.
- h. Multiply the average annual fuel cost per vehicle (e) by the number of vehicles (f) and the vehicle turnover rate (g) and you will arrive at your ***lifetime fuel cost***. Do this calculation for LEVs and conventional vehicles.

Central Fueling Cost

- i. This information applies to LEVs only. Enter total cost for central fueling as detailed in question 4 above.
- j. Add ***lifetime fuel cost*** (h) and ***central fueling cost*** (i) to calculate your ***gross fuel and infrastructure cost***. Carry down the ***lifetime fuel cost*** for conventional vehicles (h).

Fueling Incentives—Applies to LEVs Only

- k. List any federal incentives, such as IRS tax benefits for clean fuel vehicles.
- l. List any alternative fuel grants.

LEV Cost Comparison

- m. Subtract amount of federal incentives (k) and alternative fuel grants (l) from your ***gross fuel and infrastructure cost*** (j) to arrive at your ***projected net cost***. This part of the calculation applies to LEVs only. Your projected net cost for conventional vehicles will be the ***lifetime fuel cost*** (h).
- n. This part of the calculation applies to conventionally fueled vehicles only. Multiply your ***projected net cost*** (m) by .05 to determine your ***exception comparison factor***. To be eligible for an exception you need to demonstrate that the projected net cost for the fueling of LEVs is 5 percent over the costs for fueling conventional vehicles. This calculation and the one below will help determine the minimum cost your LEVs would need to reach to be eligible for an exception.

o. This part of the calculation applies to conventionally fueled vehicles only. Add your **exception comparison factor** (n) to your projected net cost (m). The total is equivalent to 5 percent over your projected net cost to fuel conventional vehicles.

p. Carry down your **projected net cost** for LEVs (m). Carry down the total for conventional vehicles (o). To be eligible for an exception, the LEV total shown must be greater than or equal to the conventional vehicle total.

We have provided a sample completed form for Section D starting on page 31.

Section E. Unavailability of LEVs

When applying for the unavailability of LEVs exception, at a minimum you must demonstrate that your fleet cannot purchase original equipment manufacturer's vehicles, or converted vehicles, that have been certified by *EPA* as LEVs that meet your fleet's normal operating requirements.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list:

<http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet's normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability of LEVs.

Please fill in your fleet identification number on the top of each page.

1. Your Fleet's Normal Operating Requirements. Describe the vehicle requirements and practices used in your fleet's normal business operations.

2. Vehicle Type and Weight Classification. Describe the types and weight classifications of the vehicles used in your fleet's normal business operations.

3. Vehicle Dealers or Converters Contacted. Name the vehicle dealers, or vehicle converters, you contacted for proposed LEV purchase(s) or lease (s). Include the company name, contact person, telephone number, and LEVs available for purchase or lease from each vendor.

4. Why Can't These LEVs Meet Your Needs? Explain why the LEVs available could not meet your fleet's normal requirements and practices.

We have provided a sample completed form for Section E starting on page 34.

Part IV. Certification

The application should be signed by either the owner or by a designated representative (for example, a fleet manager or chief financial officer designated by the owner to be responsible for the TCF Program). By signing this application, you certify that the information provided is true to the best of your knowledge.

The application must be signed and dated before it will be considered for review. Unsigned applications received by the TCEQ will be immediately returned.

Please fill in your fleet identification number on the top of the page.

Chapter 5. Sample Completed Form



EXCEPTION APPLICATION TEXAS CLEAN FLEET PROGRAM

The Texas Commission on Environmental Quality (TCEQ) has the responsibility of determining whether an exception to the low-emission vehicle (LEV) requirements of the Texas Clean Fleet (TCF) Program may be granted. A party affected by the TCF Program seeking an exception to requirements must complete an Exception Application Form (TCEQ-10275). For more information, refer to the TCEQ's *Guidelines for Exception Applications* (RG-361) or refer to the Texas Administrative Code, Title 30, Chapters 114.150–151, and 114.153–157, the rules governing the TCF Program. For additional assistance please call 512/239-1459. **The application should be completed and mailed to: TCF Program Exception Applications, TCEQ, MC-164, P.O. Box 13087 Austin, Texas, 78711-3087.**

PART I. ORGANIZATION INFORMATION

- A. Fleet type operated by your organization:
Local Government _____ Private Fleet X
- B. Fleet ID Number: 10965
- C. Organization Name: John's Heating and Air
- D. Name of Individual to contact: John Hancock
- E. Mailing Address: 6572 Pennsylvania Ave.
- F. City, State, ZIP: Houston, Texas 77015
- G. Telephone Number: 713/000-0000
- H. Fax number: 713/111-1111

PART II. UPDATED FLEET REPORT

Please check the following box to indicate that you have submitted an updated Registration/Reporting Form (TCEQ-10211 or TCEQ-10212) along with your completed application.

- Yes, I have included an updated Registration/Reporting Form along with my Exception Application Form (TCEQ-10275).

PART III. EXCEPTION INFORMATION

Please select the category of exception your organization is applying for, and proceed to the designated section. After completing the section that applies to your organization, proceed directly to PART IV, on the last page of this form.

	Fixed-Price Contract	Skip to Section A
	Unavailability of Fuel	Skip to Section B
	Unavailability of Financing for Refueling	Skip to Section C
	Cost of Fueling Comparison	Skip to Section D
	Unavailability of LEVs	Skip to Section E

Section A

FIXED-PRICE CONTRACT

When applying for the fixed-price contract exception, at a minimum you must demonstrate that:

- your organization is engaged in a fixed-price contract with a public works agency;
- the contract was entered into before September 1, 1997; and
- your organization will suffer substantial economic harm if it has to meet the LEV percent-of-purchase requirements.

Copies of the relevant contracts and an analysis of losses must be included with the application.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Note: The following examples are not real. Due to the wide availability of gasoline-powered and alternatively fueled LEVs, it is not always possible to create a realistic scenario.

1. Analysis of Substantial Economic Harm

My fleet consists of Ford F-250 Trucks that are configured to operate
on compressed natural gas (CNG). I am under contract with the City of
Pine Bluff Utilities to supply natural gas to my on-site refueling facility.
This contract includes a minimum purchase clause. If forced to operate
gasoline trucks (as no 2003 or 2004) CNG Ford F-250's currently
meet LEV standards) I would be forced to break my contract. Damages
owed to City of Pine Bluff Utilities amount to the minimum fuel
purchase for the remainder of the lease term. The estimated loss to my
company would amount to \$500.00 per week, or \$102,000 for the
remainder of my contract period

2. Contractual Parties

Affected Firm

Company Name:	John's Heating and Air
Mailing Address:	6572 Pennsylvania Ave
	Pine Bluff, TX 44456
Contact Person:	John Hancock
Telephone Number:	713/000-0000

Public Works Agency

Company Name:	City of Pine Bluff Utilities
Mailing Address:	2456 Michigan Dr.
	Pine Bluff, TX 44456
Contact Person:	Joe Public
Telephone Number:	713/222-2222

3. Terms of Contract (Relating to the request for exception)

Beginning Date: August 1, 1997	Expiration Date: July 31, 2004
This seven-year contract provides compressed natural gas at a gasoline gallon equivalent rate of \$0.65 per gallon and a minimum purchase of 4200 gallons per month. Cancellation of this contract would result in monetary damages in the amount of the required minimum purchases (\$500 per week) for the remainder of the contract period.	

Section B UNAVAILABILITY OF FUEL

When applying for the unavailability of fuel exception, at a minimum you must demonstrate that:

- the only LEVs that meet your fleet’s normal operating requirements are AFVs; and
- the closest alternative fuel refueling facility is outside the normal operating range of your fleet.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list: <http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet’s normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability of fuel.

Note: The following examples are not real. Due to the wide availability of gasoline-powered and alternatively fueled LEVs, it is not always possible to create a realistic scenario.

1. Description of Fleet’s Normal Operating Requirements

John’s Heating and Air’s vehicles are all heavy-duty vans. Our
technicians transport a large quantity of heavy, expensive tools and
equipment of many shapes and sizes. They need to be able to store this
equipment and lock it up for safekeeping.

2. List the LEVs and Fuels That Meet Your Fleet’s Operating Requirements.

The only LEV certified vans available at this time that meet our needs
are the 2003 Ford E250 vans. These vehicles are available in
ultralow-emission vehicle (ULEV) certified configurations and are
operated on compressed natural gas (CNG).

3. Fleet Base Location

Street Address:	6572 Stockyard Rd.
City, State, ZIP:	Houston, Texas 77015
County:	Harris

4. Normal Operating Range

John’s Heating and Air’s vehicles operate within Precinct 4 of Harris
County. Precinct 4 is located in the northwest corner of the county and
occupies approximately 230 square miles, including the towns of Any
City, Little Hill, Orangeville, and Putney. See attached map and last
year’s log books documenting our fleet mileage.

5. Nearest Alternative Fuel Refueling Facility

Company:	Plenty of Gas
Street Address:	Motor Drive
City, State, ZIP:	Beaumont, TX 10001
County:	Jefferson County
Distance from Operating Range:	68 miles from our normal operating range

Section C

UNAVAILABILITY OF FINANCING FOR REFUELING

When applying for the unavailability of financing for refueling exception, at a minimum you must demonstrate that:

- the only LEVs that meet your fleet’s normal operating requirements are AFVs; and
- you have been unable to secure financing from or through the proposed fuel supplier(s) to cover the additional cost of refueling.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list: <http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet’s normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability financing for fueling.

Note: The following examples are not real. Due to the wide availability of gasoline-powered and alternatively fueled LEVs, it is not always possible to create a realistic scenario.

1. Your Fleet’s Normal Operating Requirements

John’s Heating and Air’s vehicles are all heavy-duty vans. Our
technicians transport a large quantity of heavy, expensive tools and
equipment of many shapes and sizes. They need to be able to store this
equipment and lock it up for safekeeping.

2. LEVs/Fuels That Meet the Operating Requirements

The only LEV certified vans available at this time that meet our needs
are the 2003 Ford E250 vans. These vehicles are available in <i>ULEV</i>
certified configurations and are operated on CNG.

3. Financing Needed

Currently, there are no CNG refueling sites within our normal
operating range. Therefore, we would have to construct an on-site
CNG refueling facility to provide the fuel for these vehicles in order to
comply with the TCF Program. The estimated cost to construct a CNG
refueling facility is \$85,000 (see attached bid).

4. Financing Offered

Company Name	ABC Gulf Coast Gas & Supply	
Contact Person	Joe Public	
Telephone Number	713-222-2222	
Type of Financing Offered	Total Amount	
20% down payment on a 15-year loan at 9.75 % interest.	\$146,665.99	
\$17,000 down with payment of \$714.56 monthly.		

5. Why Are You Unable to Secure Financing?

I don't have \$17,000 for the down payment and the interest rate will
cause my monthly payments to be higher than I can afford. I have
attached a current financial statement. After all expenses, the business
is not making an additional \$714.56 a month.

Section D

COST OF FUELING COMPARISON

When applying for the cost of fueling comparison exception, at a minimum you must demonstrate all of the following:

- The only LEVs that meet your fleet’s normal operating requirements are AFVs;
- The projected net cost for the fueling of LEVs is 5 percent over the cost for fueling conventional vehicles; and
- These costs must be measured over the expected useful life of the vehicles. Your cost calculations must include available state and federal funding or incentives.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list:

<http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet’s normal operating requirements, then the TCEQ cannot grant an exception based on the cost of fueling.

Note: The following examples are not real. Due to the wide availability of gasoline-powered and alternatively fueled LEVs, it is not always possible to create a realistic scenario.

1. Your Fleet’s Normal Operating Requirements

John’s Heating and Air’s vehicles are all heavy-duty vans. Our
technicians transport a large quantity of heavy, expensive tools and
equipment of many shapes and sizes. They need to be able to store this
equipment and lock it up for safe keeping.

2. LEVs/Fuels That Meet the Operating Requirements

The only LEV certified vans available at this time that meet our needs
are the 2003 Ford E250 vans. These vehicles are available in ULEV
certified configurations and are operated on CNG.

3. Explain Which Vehicle You Will Use for Your Cost Comparison

The vehicle type chosen to represent the LEV in the cost comparison is
the 2003 Ford E-250 van certified to ULEV on CNG. It is a
dedicated CNG vehicle. It is suitable to our fleet needs in both mileage
range and carrying capacity. We are comparing it to the non-LEV 2003
Ford E-250 van operating on conventional fuel. Because we are comparing
the same vehicle for different fuels, we believe this is a fair and
reasonable comparison between like vehicles.

4. Costs for Central Fueling

Currently, there are no CNG refueling sites within normal operating
range. Therefore, we would have to construct an on-site CNG refueling
facility to provide the fuel for these vehicles in order to comply with
the TCF Program. The estimated cost to construct a CNG refueling
facility is \$85,000 (see attached bid).

5. Projected Net Cost Comparison

Item	LEV	Conventional
a. Vehicle make/model/fuel	Ford E-250, CNG	Ford E-250, gasoline
Annual Fuel Cost		
b. Average annual vehicle miles traveled (VMT)	25,000	25,000
c. Miles per gallon	18	22
d. Price per gallon	\$0.65	\$1.10
e. Divide <i>VMT</i> (b) by miles per gallon (c) to calculate number of gallons of fuel used per year. Multiply number of gallons by price per gallon (d) to find your average annual fuel cost per vehicle	\$902.77	\$1,250.00
Lifetime Fuel Cost		
f. Number of vehicles needed	5	5
g. Vehicle turnover rate in years	5	5
h. Multiply average annual fuel cost (e) by number of vehicles (f) and vehicle turnover rate (g) to find your lifetime fuel cost	\$22,569.25	\$31,250.00
Central Fueling Cost		
i. Total costs for central fueling from question 4 above.	\$85,000.00	
j. Add lifetime fuel cost (h) and central fueling cost (i) to find your gross fuel and infrastructure cost . Carry down the lifetime fuel cost for conventional vehicles (h).	\$107,569.25	\$31,250.00
Fueling Incentives		
k. Federal incentives*	\$2,800.00	
l. Alternative Fuel grants**	\$0.00	
LEV Cost Comparison		
m. Subtract federal incentives (k) and alternative fuel grants (l) from your gross fuel and infrastructure cost (j) to determine your projected net cost . Your projected net cost for conventional vehicles will be their lifetime fuel cost (h)	\$104,769.25	\$31,250.00
n. Multiply your conventional vehicles' projected net cost (m) by .05 to determine your exception comparison factor .		\$1,562.50
o. Add the exception comparison factor (n) to your conventional vehicles' projected net cost (m). This final total is 5 percent over your projected net cost to fuel conventional vehicles.		\$32,812.50
p. Carry down your projected net cost for LEVs (m). Carry down the total for conventional vehicles (o). To be eligible for an exception, the LEV total shown must be greater than or equal to the conventional vehicle total.	\$104,769.25	\$32,812.50

*IRS tax benefits vary according to vehicle weight and your corporate tax bracket.

**Contact the State Energy Conservation Office at (512) 463-2637 for information on alternative fuel grants for the state of Texas.

Section E UNAVAILABILITY OF LEVS

When applying for the unavailability of LEVs exception, at a minimum you must demonstrate that your fleet cannot purchase original equipment manufacturer's vehicles, or converted vehicles, that have been certified by EPA as LEVs that meet your fleet's normal operating requirements.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list: <http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet's normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability financing for fueling.

Note: The following examples are not real. Due to the wide availability of gasoline-powered and alternatively fueled LEVs, it is not always possible to create a realistic scenario.

1. Your Fleet's Normal Operating Requirements

Our organization operates a fleet of 30 dump trucks, with GVWRs
ranging from 18,000 to 26,000 pounds. All of our trucks operate on
diesel. Delivery sites are located within 100 miles of headquarters. Our
primary business is transporting dirt, sand, and gravel for commercial
excavation and site pad construction.

2. Vehicle Type and Weight Classification

Our fleet consists of diesel powered GMC C5500 and C6500 series
trucks equipped with two-yard or four-yard dump beds. These vehicles
have GVWRs ranging from 18,000 to 26,000 pounds.

3. Vehicle Dealers or Converters Contacted

(Include Company Name, Contact Person, Telephone Number, and Type of LEV Available)

Company Name:	Harrison GMC
Contact Person:	John Harrison
Telephone Number:	713-333-3333
Vehicle Type Available:	None Available

Company Name:	Albright Ford
Contact Person:	George Albright
Telephone Number:	713-444-4444
Vehicle Type Available:	None Available

Company Name:	Houston Mack Truck Sales and Service
Contact Person:	Janice Wimberly
Telephone Number:	713-654-3210
Vehicle Type Available:	None Available

4. Why Can't These LEVs Meet Your Needs?

There are no LEV-certified vehicles in this class of vehicles that meet
the normal requirements and practices of our business.

PART 4. Certification

Must be signed by owner or designated representative.

I certify that the information supplied here is true and accurate to the best of my knowledge.

Signature: *John Adams* Date: September 1, 2004

Please print name and title: John Adams, President

If you have questions on how to fill out this form or about the TCF Program, please contact us at 512/239-1459. Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, contact us at 512/239-3282.

It is an offense to falsify a government document, punishable as a Class A misdemeanor up to a second degree felony. Texas Penal Code, Section 37.10 (1997).

Appendix A: Blank Application Form



**EXCEPTION APPLICATION
TEXAS CLEAN FLEET PROGRAM**

The Texas Commission on Environmental Quality (TCEQ) has the responsibility of determining whether an exception to the low-emission vehicle (LEV) requirements of the Texas Clean Fleet (TCF) Program may be granted. A party affected by the TCF Program seeking an exception to requirements must complete an Exception Application Form (TCEQ-10275). For more information, refer to the TCEQ's *Guidelines for Exception Applications* (RG-361) or refer to the Texas Administrative Code, Title 30, Chapters 114.150-151, and 114.153-157, the rules governing the TCF Program. For additional assistance please call 512/239-1459. **The application should be completed and mailed to: TCF Program Exception Applications, TCEQ, MC-164, P.O. Box 13087, Austin, Texas, 78711-3087.**

PART I. ORGANIZATION INFORMATION

- A. Fleet type operated by your organization:
Local Government _____ Private Fleet _____
- B. Fleet ID Number: _____
- A. Organization Name: _____
- D. Name of Individual to contact: _____
- E. Mailing Address: _____
- F. City, State, ZIP: _____
- G. Telephone Number: _____
- H. Fax number: _____

PART II. UPDATED FLEET REPORT

Please check the following box to indicate that you have submitted an updated Registration/Reporting Form (TCEQ-10211 or TCEQ-10212) along with your completed application.

- Yes, I have included an updated Registration/Reporting Form along with my Exception Application Form (TCEQ-10275).

PART III. EXCEPTION INFORMATION

Please select the category of exception your organization is applying for, and proceed to the designated section. After completing the section that applies to your organization, proceed directly to PART IV, on the last page of this form.

	Fixed-Price Contract	Skip to Section A
	Unavailability of Fuel	Skip to Section B
	Unavailability of Financing for Refueling	Skip to Section C
	Cost of Fueling Comparison	Skip to Section D
	Unavailability of LEVs	Skip to Section E

Section A FIXED-PRICE CONTRACT

When applying for the fixed-price contract exception, at a minimum you must demonstrate that:

- your organization is engaged in a fixed-price contract with a public works agency;
- the contract was entered into before September 1, 1997; and
- your organization will suffer substantial economic harm if it has to meet the LEV percent-of-purchase requirements.

Copies of the relevant contracts and an analysis of losses must be included with the application.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

1. Analysis of Substantial Economic Harm

2. Contractual Parties

Affected Firm

Company Name:

Mailing Address:

Contact Person:

Telephone Number:

Fleet ID Number: _____

Public Works Agency

Company Name:

Mailing Address:

Contact Person:

Telephone Number:

3. Terms of Contract (Relating to the request for exception)

Beginning Date:	Expiration Date:

Section B UNAVAILABILITY OF FUEL

When applying for the unavailability of fuel exception, at a minimum you must demonstrate that:

- the only LEVs that meet your fleet’s normal operating requirements are AFVs; and
- the closest alternative fuel refueling facility is outside the normal operating range of your fleet.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list: <http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet’s normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability of fuel.

1. Description of Fleet’s Normal Operating Requirements

Fleet ID Number: _____

2. List the LEVs and Fuels That Meet Your Fleet's Operating Requirements.

3. Fleet Base Location

Street Address:

City, State, ZIP:

County:

4. Normal Operating Range

5. Nearest Alternative Fuel Refueling Facility

Company:

Street Address:

City, State, ZIP:

County:

Distance from Operating Range:

Section C

UNAVAILABILITY OF FINANCING FOR REFUELING

When applying for the unavailability of financing for refueling exception, at a minimum you must demonstrate that:

- the only LEVs that meet your fleet’s normal operating requirements are AFVs; and
- you have been unable to secure financing from or through the proposed fuel supplier(s) to cover the additional cost of refueling.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list: <http://www.tnrc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet’s normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability financing for fueling.

1. Your Fleet’s Normal Operating Requirements

2. LEVs/Fuels That Meet the Operating Requirements

Fleet ID Number: _____

3. Financing Needed

4. Financing Offered

Company Name		
Contact Person		
Telephone Number		
Type of Financing Offered	Total Amount	

5. Why Are You Unable to Secure Financing?

Section D

COST OF FUELING COMPARISON

When applying for the cost of fueling comparison exception, at a minimum you must demonstrate all of the following:

- The only LEVs that meet your fleet’s normal operating requirements are AFVs;
- The projected net cost for the fueling of LEVs is 5 percent over the cost for fueling conventional vehicles; and
- These costs must be measured over the expected useful life of the vehicles. Your cost calculations must include available state and federal funding or incentives.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list: <http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet’s normal operating requirements, then the TCEQ cannot grant an exception based on the cost of fueling.

1. Your Fleet’s Normal Operating Requirements

Fleet ID Number: _____

2. LEVs/Fuels That Meet the Operating Requirements

3. Explain Which Vehicle You Will Use for Your Cost Comparison

4. Costs for Central Fueling

5. Projected Net Cost Comparison

Item	LEV	Conventional
a. Vehicle make/model/fuel		
Annual Fuel Cost	LEV	Conventional
b. Average annual vehicle miles traveled (VMT)		
c. Miles per gallon		
d. Price per gallon		
e. Divide <i>VMT</i> (b) by miles per gallon (c) to calculate the number of gallons of fuel used per year. Multiply number of gallons by price per gallon (d) to find your average annual fuel cost per vehicle		
Lifetime Fuel Cost	LEV	Conventional
f. Number of vehicles needed		
g. Vehicle turnover rate in years		
h. Multiply average annual fuel cost (e) by number of vehicles (f) and vehicle turnover rate (g) to find your lifetime fuel cost		
Central Fueling Cost	LEV	Conventional
i. Total costs for central fueling from question 4 above.		
j. Add lifetime fuel cost (h) and central fueling cost (i) to find your gross fuel and infrastructure cost . Carry down the lifetime fuel cost for conventional vehicles (h).		
Fueling Incentives	LEV	Conventional
k. Federal incentives*		
l. Alternative Fuel grants**		
LEV Cost Comparison	LEV	Conventional
m. Subtract federal incentives (k) and alternative fuel grants (l) from your gross fuel and infrastructure cost (j) to determine your projected net cost . Your projected net cost for conventional vehicles will be their lifetime fuel cost (h)		
n. Multiply your conventional vehicles' projected net cost (m) by .05 to determine your exception comparison factor .		
o. Add the exception comparison factor (n) to your conventional vehicles' projected net cost (m). This final total is 5 percent over your projected net cost to fuel conventional vehicles.		
p. Carry down your projected net cost for LEVs (m). Carry down the total for conventional vehicles (o). To be eligible for an exception, the LEV total shown must be greater than or equal to the conventional vehicle total.		

*IRS tax benefits vary according to vehicle weight and your corporate tax bracket.

**Contact the State Energy Conservation Office at (512) 463-2637 for information on alternative fuel grants for the state of Texas.

Section E UNAVAILABILITY OF LEVS

When applying for the unavailability of LEVs exception, at a minimum you must demonstrate that your fleet cannot purchase original equipment manufacturer's vehicles, or converted vehicles, that have been certified by EPA as LEVs that meet your fleet's normal operating requirements.

All applications should be typewritten. You may attach supplemental material. If you do, number the information to correspond with the format of the application. Call us at 512/239-1459 if you have any questions on how to prepare your application.

Automakers are now selling a wide variety of gasoline and diesel-powered LEVs. In most cases, they are available at the same price as their conventional counterparts. For many models, automakers are only selling LEVs. Before applying for this exception, visit the TCEQ Web site for the latest LEV availability list: <http://www.tnrcc.state.tx.us/air/ms/tcf.htm>. If gasoline or diesel-powered LEVs have been available that would meet your fleet's normal operating requirements, then the TCEQ cannot grant an exception based on the unavailability financing for fueling.

1. Your Fleet's Normal Operating Requirements

2. Vehicle Type and Weight Classification

3. Vehicle Dealers or Converters Contacted

(Include Company Name, Contact Person, Telephone Number, and Type of LEV Available)

Company Name:	
Contact Person:	
Telephone Number:	
Vehicle Type Available:	

Company Name:	
Contact Person:	
Telephone Number:	
Vehicle Type Available:	

Company Name:	
Contact Person:	
Telephone Number:	
Vehicle Type Available:	

4. Why Can't These LEVs Meet Your Needs?

PART 4. Certification

Must be signed by owner or designated representative.

I certify that the information supplied here is true and accurate to the best of my knowledge.

Signature: _____ Date: _____

Please print name and title: _____

If you have questions on how to fill out this form or about the TCF Program, please contact us at 512/239-1459. Individuals are entitled to request and review their personal information that the agency gathers on its forms. They may also have any errors in their information corrected. To review such information, contact us at 512/239-3282.

It is an offense to falsify a government document, punishable as a Class A misdemeanor up to a second degree felony. Texas Penal Code, Section 37.10 (1997).