



# Climate Pollution Reduction Grants (CPRG) – Draft Measures for Texas

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# Climate Pollution Reduction Grant (CPRG) – Draft Measures for Texas: Outline

- CPRG Review
- Timeline
- Texas Priority Action Plan (PAP)
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- Input and Next Steps

# CPRG Review

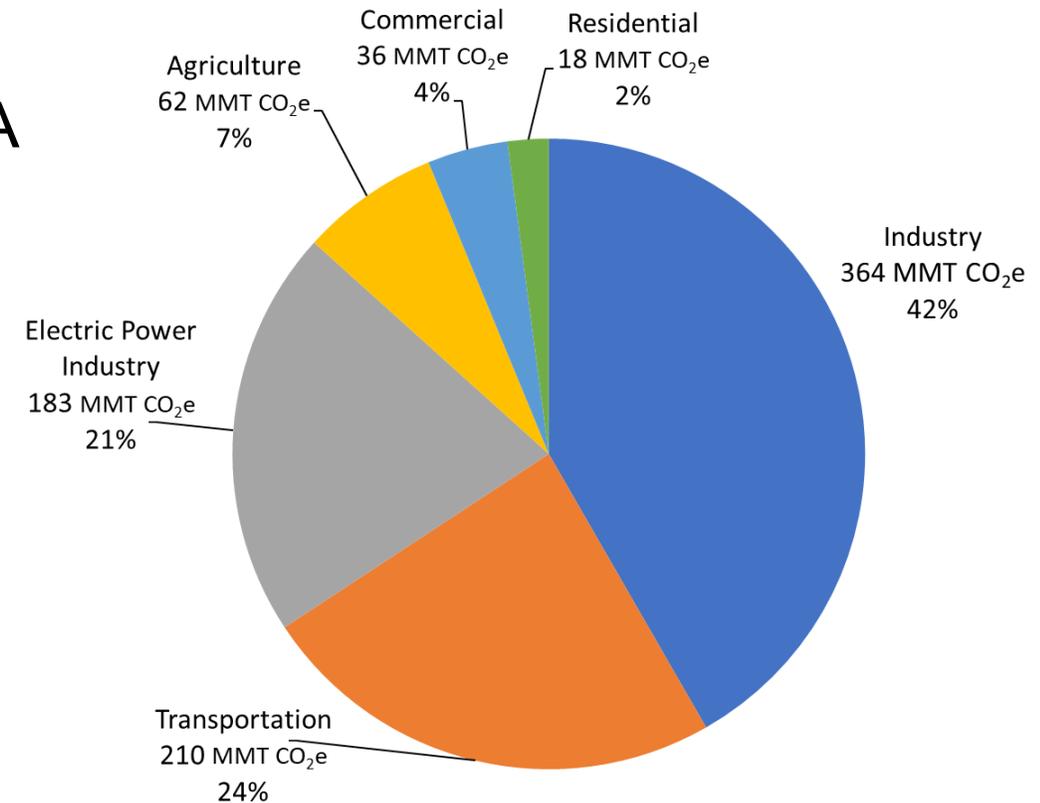
- Provides \$5 billion to support efforts by states, municipalities, air pollution control agencies, and tribes to develop and implement strategies to reduce greenhouse gasses (GHG) and associated criteria and toxic air pollutants.
- Two phases:
  - **Phase 1 – Planning Grants:** \$250 million noncompetitive grants, \$3 million to each state, \$1 million to the six largest metropolitan statistical areas in each state. Three deliverables:
    - Priority Action Plan (PAP)
    - Comprehensive Action Plan (CAP)
    - Status Report
  - **Phase 2 – Implementation Grants:** \$4.6 billion in competitive grants.

# CPRG Timeline

- February 1, 2024: Optional Notice of Intent for implementation grants
- **March 1, 2024: Priority Action Plan is due to EPA**
- March 15, 2024: Deadline to submit implementation grant questions
- **April 1, 2024: Implementation grants applications due to EPA**
- July 2024: Notification of funding selection for implementation grants
- October 2024: Estimated start date for implantation grant awards
- **July 3, 2025: Comprehensive Action Plan is due to EPA**
- July 31, 2027: Status Report is due to EPA

# Texas Priority Action Plan (PAP)

- Texas' PAP will include:
  - Emissions Inventory (EI) using existing EPA GHG EI;
  - Quantified emission reduction measures; and
  - A review of authority to implement each measure.
- Priority measures in Texas will focus on incentivized, voluntary measures with co-pollutant benefits.
- Focus on three sectors that account for 87% of GHG emissions: Industry, Electric Power, and Transportation.
- Measures identified by TCEQ and a variety of stakeholders.



# PAP Measures for Texas: Industry

- Electrify industrial process equipment.
- Modify industrial equipment to utilize hydrogen.
- Promote energy efficiency with energy audits, technical assistance, and modernized processes, systems, and energy management.
- Decarbonize cement industry with cement clinker substitution, use of low CO2 cement products.
- Promote processes that would facilitate improved carbon capture.
- Replace hydrofluorocarbon (HFC) with ultra-low global warming potential (GWP) refrigeration equipment.
- Oil and Gas
  - Replace pneumatic controllers, motors, and pumps to reduce fugitive emissions.
  - Reduce flaring and capture methane emissions for beneficial use.
  - Remediate and/or plug low producing and abandoned wells.

# PAP Measures for Texas: Electric Power

- Upgrade transmission lines to improve grid capacity.
- Promote nuclear energy with molten salt reactors and modular reactors.
- Add grid scale renewable energy storage.
- Lower demand with improved load management, load shifting, and energy efficiency.
- Add infrastructure to capture, utilize, and store carbon from power plants and industrial processes.
- Utilize oil and gas infrastructure for geothermal energy.

# PAP Measures for Texas: Transportation

- Promote port decarbonization with shore power, zero emission drayage trucks, zero emission cargo handling equipment, and electric harbor vessels.
- Add infrastructure for electric vehicle charging and hydrogen fueling stations.
- Expand programs for zero emission medium and heavy-duty trucks.
- Add zero emission school busses.
- Expand rebate programs for light duty zero emission vehicles.
- Create a medium and heavy-duty third party scrappage program.
- Replace government fleets with zero emission vehicles.
- Replace single speed motors with variable speed devices at airports and promote use of low emission jet fuels.
- Promote low emission passenger or freight locomotives.

# Other PAP Measures for Texas

- Capture methane from landfills or wastewater treatment plants to create biogas.
- Combine solar arrays with biogas from closed landfills for energy generation.
- Switch to electric heat pumps.
- Add rooftop solar to commercial and residential buildings.
- Increase energy efficiency and weatherization in homes and commercial buildings.
- Support projects to increase recycling, reduce waste, and add recycling infrastructure.
- Promote efficient pumps and irrigation systems in agriculture.
- Promote sustainable agricultural practices to reduce emissions.
- Reforest agriculture lands no longer in use and increase urban tree canopy.
- Promote restoration of coastal landscapes to sequester carbon.

## Phase 2 – Implementation Grants: Eligibility

- EPA will award 30 to 115 competitive grants ranging from \$2 million to \$500 million. Awards are separated into five tiers.
- Must have a PAP submitted by March 1, 2024, to be eligible.
- In addition to the lead organization, other state, municipal, and tribal entities may apply to implement measures included in the PAP.
- No more than two applications, one as an individual entity and one as the lead for a coalition. No limit to coalition participation.
- No more than two grants will be awarded at the same level of government within a single jurisdiction.
- EPA will not award multiple grants for the same measure in the same location.

# Phase 2 – Implementation Grants: Funding Tiers

Tier	Grant Range	Funds Targeted for Each Tier	Anticipated Number of Grants to be Awarded
A	\$200 Million – \$500 Million	\$2 Billion	4 – 10
B	\$100 Million – \$199 Million	\$1.3 Billion	6 – 13
C	\$50 Million – \$99 Million	\$600 Million	6 – 12
D	\$10 Million – \$49 Million	\$300 Million	6 – 30
E	\$2 Million – \$9 Million	\$100 Million	10 – 50

# Input and Next Steps

- Input:
  - What do you think are the most important priority measures?
  - Where are there gaps?
  - Are there shovel-ready projects that would fit within TCEQ priorities?
  - What level of funding would you like to see?
  - If you are eligible, do you plan to submit an implementation grant application?
- Next Steps:
  - Quantify measures.
  - Coordinate with eligible applicants.
  - Submit PAP to EPA.
  - Prepare the Implementation Grant application.

# Questions?

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<https://www.tceq.texas.gov/agency/climate-pollution-reduction-grants>