

Proposal Instructions for New Technology Projects that Reduce Emissions from Stationary Sources

New Technology Implementation Grant Program (NTIG)

Texas Commission on Environmental Quality (TCEQ)
Texas Emissions Reduction Plan (TERP)
Solicitation No. 582-26-85100-NG



This document provides guidance for preparing the project proposal for submission with TCEQ Application Form 20686 for a grant under NTIG.

If you have questions on how to complete a project proposal, please contact TERP staff at 512-239-4950 or TERP@tceq.texas.gov.

Important Dates	Date
Program Open Date	May 20, 2026
Application Submission Deadline	September 25, 2026

Project Proposal Instructions

These instructions are designed to guide applicants in preparing a project proposal to be submitted with Application Form 20686 for a grant under NTIG.

Only properly completed applications and project proposals will be considered for funding. Complete applications must include:

- All pages of the application;
- All required attachments;
- Applicant contact information;
- All required signatures; and
- All information necessary for TCEQ to review the application for selection according to the program requirements listed in the Request for Grant Applications (RFGA).

TCEQ will review applications and project proposals for completeness. If an application and/or project proposal is found to be incomplete, TCEQ will notify the applicant in writing and provide details about what is missing from the application and/or project proposal. Applicants will be provided a deadline to submit the missing information to TCEQ. Failure to provide the missing information to TCEQ by the deadline may make an application ineligible.

Please note that if a grant is awarded, it will be subject to the terms and conditions found in the example grant contract posted on the [NTIG webpage](#). If there are any terms and conditions in the example grant contract that you cannot agree to, you **MUST** identify those in your application. Please also note that TCEQ is under no obligation to change the contract language in response to individual requests from grant recipients.

Project Proposal Outline

Applicants must submit a proposal using the sections and subsections below as an outline. Grant applicants must answer the questions contained in this document. Please provide full and complete answers to the following questions. Applicants may provide as much detail as necessary, subject to any word limits. This proposal will be used to determine project score and the scope of work for any resulting contracts.

I. Project Summary

1. Please provide a brief summary of the project (150 words max).
2. Briefly describe the project goals and objectives and how they align with the goals of the NTIG program (300 words max).
3. Please provide calculations showing emissions reductions of regulated pollutants. Emissions reductions must be calculated for each regulated pollutant impacted by the project where these reductions are the difference between the baseline emissions for that pollutant less the projected emissions (defined below). Show entire calculation including the factors that were used, such as emission rates.
 - Baseline emissions are the average emissions in tons per year from a facility for at least 2 calendar years out of the past 10 consecutive years prior to the date of application.
 - Projected emissions are the average expected emissions in tons per year to be emitted from the facility after the project is completed.
4. Please provide all information listed below for the proposed project site. Mark items "N/A" if not available or applicable.
 - Physical address of proposed project site
 - Global Positioning System (GPS) coordinates of project site

- Project site county
 - TCEQ Customer Reference Numbers (CN)
 - TCEQ Regulated Entity Numbers (RN)
 - Air authorization, registration, or permit number
 - Emission Point Number (EPN) and Facility ID Number (FIN)
 - Other identifying labels or numbers assigned by TCEQ, the Public Utility Commission of Texas, and the Railroad Commission of Texas.
 - This includes all registrations whether they are Permits by Rule (PBR), New Source Review (NSR), and/or undocumented registrations from TCEQ for the associated site.
5. Is the applicant the owner or operator of the facility in this application? Please include documents demonstrating the applicant's ownership or lease of the facility, along with evidence of the applicant's operational control of the facility. The documentation should indicate that the applicant possesses these rights for at least the duration of the contract.
 6. Describe in detail any applicable federal or state regulation at the proposed project site that currently exist or will exist that impacts the use, operation, or emission limitations of the proposed project equipment. If regulations currently impact equipment that will be upgraded, retrofitted, or replaced, please cite the regulatory requirement. This should include, but may not be limited to, federal or state rule requirements; federal or state permitting requirements; and/or legal agreements that limit the emissions of pollutants.
 7. Provide a description of the technologies to be implemented and work to be done including labor, major equipment, or capital purchases. Include the implementation status at the time of application.
 8. Discuss any challenges or limitations of the technologies as identified by the research to date.
 9. Discuss the proposed technologies' capabilities to provide significant reductions in emissions and any potential air quality benefits. What level of performance verification do the technologies have? Some examples of performance verification include, but are not limited to, the following:
 - **Tested** – emissions reductions capability of each technology has been verified or certified by the United States Environmental Protection Agency (EPA), or has been tested in a laboratory that meets EPA requirements and standards;
 - **Guaranteed** – by the manufacturer of the technology; or
 - **Experimental** – each of the technologies may have been tested, but testing was not conducted in a laboratory that meets EPA requirements and standards.

Additionally, address the processes used by the facility, the fuel or feedstock used, and other attributes of the project that enhance this capability. Please refer to Section 4.6.2 of the RFGA for guidance.
 10. What are the full characteristics of all the fuels, primary and otherwise, used for the facility in this application? Full characteristics of a fuel should include an *elemental or ultimate analysis*, and a *proximate analysis* that specifically includes heating value, ash or mineral matter content, and moisture content.
 11. Explain any testing and analysis procedures that will be used to validate the performance of the proposed technologies during the project. Though not required, TCEQ may award points to applications that provide for a performance test on the proposed technology during the contract life.
 12. Describe the energy efficiency attributes, if any, associated with this application.
 13. Will this project implement the use of renewable energy resources? If yes, explain how these renewable energy components are part of the project.

14. Does this new technology project use natural resources originating or produced in Texas? If yes, explain.
15. Does this project make use of technology to recover waste heat from the combustion of natural resources to generate onsite electricity? If yes, please explain what technology will be used to generate the electricity and how the power will be used on-site. If emissions will be abated as a result, explain how the emission reductions are achieved and quantify the emissions.
16. Does this project reduce flaring emissions and other site emissions? If yes, please explain how the proposed project would reduce those emissions.
17. What is the cost-effectiveness of the project proposed in this application? Please refer to Section 4.6.2 of the RFGA for instructions on computing cost-effectiveness. Provide detailed explanations and calculations using the following formula:

$$\frac{\textit{Requested Grant Amount}}{\textit{5 years}} = \frac{(1 * \textit{TPY of NO}_x \textit{ reduced}) + (0.8 * \textit{TPY of VOC reduced}) + (0.8 * \textit{TPY of SO}_2 \textit{ reduced}) + (0.6 * \textit{TPY of PM reduced}) + (100 * \textit{TPY of HAPs reduced}) + (1000 * \textit{TPY of heavy metals reduced}) + (0.5 * \textit{TPY of other regulated pollutants reduced})}{}$$

Note: TPY means Tons Per Year. Hazardous Air Pollutants (HAPs) that are heavy metals may only be counted as heavy metals in the equation. Refer to RFGA Section 2.2 b) for the categories of regulated pollutants.

18. Discuss how the applicant will operate and maintain the proposed technology during the contract term including the 5-year Operation Period after the project is fully implemented. (Note: Implementation Plan details are found in Section IV.)
19. Provide details about similar installations of the proposed technologies (whether the applicant was directly involved or not). Discuss the reliability of such installations.

II. Safety and Environmental Impact

1. Please include a full discussion of any safety issues and how they are addressed. Include a safety plan for the project. Points may be subtracted if this information is inadequate or if there are outstanding safety issues.
2. Please include a full discussion of any potential impacts on the environment, such as increased emissions of pollutants or creation of hazardous waste and how they are addressed. Points may be subtracted depending on how the technology will impact other areas of the environment.
3. If applicable, explain how the planned water usage for the proposed project is consistent with the state water plan.

III. Applicant Qualifications and Experience

1. What qualifications does the applicant possess that will allow them to successfully complete the proposed project? Please identify any of the applicant's key personnel that will be involved with this project.
2. What prior experience does the applicant have with projects of this nature? What relevant prior experience do the key personnel have? Please specify the number of relevant years of experience the applicant and the key personnel have with projects of this nature.
3. Please provide a description of your past and present compliance history with environmental laws. Discuss any unresolved environmental compliance issues at the proposed site.
4. Please provide information on your financial stability and the economic benefits and job creation potential associated with the project. Please provide the documents listed below with the application package:

For the financial stability of an existing business, please include:

- 2-3 years of audited financial statements, including Single Audit, if applicable; and
- 2-3 years of tax returns.

For the financial stability of a new business, please include a:

- Business plan; and
- Pro forma financial statement.

For information regarding economic benefits and job creation potential all applicants should include:

- North American Industry Classification System (NAICS) code;
- Payroll and benefits;
- Number of employees (current and planned); and
- Gross sales.

5. Will the applicant be using any subcontractors? If so, please identify the subcontractors you anticipate using and the work they will do individually. If you have not currently identified a subcontractor for a particular task, describe the nature of the work for which a subcontractor will be needed. For each identified subcontractor providing a major component of the project, include the subcontractor's proposal or contract with the applicant including budget details that identify the costs associated with each task to be performed by the subcontractor. Attach any letters of commitment from authorized officials of your subcontractor's organizations.

IV. Implementation Plan

Information provided in this section should focus exclusively on the project proposed for funding in this application. While it is appropriate in other portions of the application to discuss the broader or long-term plans for this technology, this section should only address work proposed for TCEQ funding.

Use the template in the next section to provide a complete, detailed implementation plan for the project. If selected for award, this section will be used as the basis for developing the contract's Scope of Work. The plan should include an **introduction, project objectives, project schedule, and a work statement** for each task under the project. The project should be broken down into a set of logical, specific tasks that are carried out sequentially or in parallel. Please note any significant decision points and the standard for determining project continuation or termination. Additionally, the project implementation plan must state how the applicant would provide project information and education to the public in the areas subject to public notice under federal and state permitting requirements. This must include providing a publicly accessible informational webpage regarding the project.

Under each task, the applicant should include:

- A detailed description of the work to be carried out under the task;
- The parties responsible for completing the task;
- The task timeline; and
- Grant deliverables for each task.

The implementation plan will also include the preparation and submission of detailed quarterly progress reports during the Implementation Period, a final implementation report, annual operation reports during the Operation Period, and a final operation report at the end of the contract life.

The implementation plan outline provided below should be used as a template. The following instructions should be used when drafting the implementation plan:

- Add any necessary tasks not included in the outline by copying the same format as the included tasks and placing the new task in chronological order by start date.
- Begin each task with a brief (sentence or two) description of the overall objective of the

task. Provide more specific details than just the task title.

- Describe each step necessary to complete a task. Try to include steps in chronological order by start date. It may be useful to include a start and end date for a task, but all other dates may be referenced in months as approximations.
- Deliverables should include all significant results from the work detailed in that stage (e.g., approved permit and/or final site plan) and any reasonable documentation of the completion of that stage (e.g., pictures of the installed equipment).

Template for Required Implementation Plan

Use this template to draft an implementation plan for your project.

Task 1: Implementation Period Reporting [identical for all grants]

- A. Objective: Prepare and submit detailed quarterly progress reports during the project implementation period and a final implementation report while also ensuring compliance with all TCEQ program requirements. All reports will be made publicly available on TCEQ's website.
- B. Steps: Detailed steps to be taken
 1. Coordinate all project resources to ensure compliance with program requirements while providing deliverables on schedule and according to the grant budget. Notify TCEQ as required to receive authorization regarding moving funds between budget categories.
 2. Generate quarterly progress reports and a final report verifying final completion of the facility.
 3. Create a webpage that describes the NTIG Grant project, funding, and point of contact for public inquiries.
- C. Schedule: Submit quarterly progress reports to TCEQ within 10 days following March 31, June 30, September 30, and December 31 of each year of the implementation period of the contract. Submit the final implementation report to complete this task within 2 years of the Notice to Proceed (NTP) date as issued by TCEQ.
- D. Deliverables:
 1. Quarterly progress reports
 2. Final implementation report submitted to TCEQ upon completion of this task. The final report will summarize all aspects of the project and verify completion of the project.
 3. URL of webpage that describes this NTIG project, funding, and point of contact for public inquiries.

Task 2: Secure rights to location and evidence of insurance

(Note: Grantees will not receive an NTP until Task 2 is completed, and insurance coverage is received.)

- A. Objective: Provide evidence of right to construct, own or lease, and operate electricity storage project, along with required insurance coverage.
- B. Steps: Detailed steps to be taken
 1. Provide documentation of ownership or lease agreement for use of the land where project is located.
 2. Provide evidence of sufficient insurance coverage for this project, as described in the contract's Insurance section.
- C. Schedule: Property rights and insurance must be provided within one year of contract execution date.
- D. Deliverables:

1. Documentation of land rights [Note: This may include documentation of an executed lease agreement or proof of land ownership. If the land is not owned by the applicant, a lease agreement covering both the project implementation and five-year Operation Period will be required.]
2. Documentation of required insurance for the project.

Task 3: Secure authorizations as necessary to install and operate project

- A. Objective: Describe the objective of the task.
- B. Steps: Detailed steps to be taken
 1. Step 1 description
 2. Step 2 description
 3. Etc.
- C. Schedule: Deadline for completion
- D. Deliverables: Deliverables for this task may include site plans, all required authorizations including building permits, environmental permits, and watershed permits.

Task 4: Specific project site preparation

- A. Objective: Describe the objective of the task
- B. Steps: Detailed steps to be taken
 1. Step 1 description
 2. Step 2 description
 3. Etc.
- C. Schedule: Deadline for completion
- D. Deliverables: Deliverables for this task may include photographic documentation of physical site modifications and/or a report documenting all civil and structural work completed for delivery and setting of equipment.

Task 5: Execution of contracts and purchase of equipment

- A. Objective: Describe the objective of this task
- B. Steps: Detailed steps to be taken
 1. Describe or refer to company's procurement procedure.
 2. Identify the specific details of the contracts or equipment being procured.
 3. Etc.
- C. Schedule: Deadline for completion
- D. Deliverables: Deliverables for this task may include photographic evidence of equipment installation and executed integration service contracts, etc.

Task 6: Installation and Commissioning of Project

- A. Objective: Describe the objective of this task
- B. Steps: Detailed steps to be taken
 1. Step 1 description

2. Step 2 description
 3. Etc.
- C. Schedule: Deadline for completion (e.g., 4 months from installation)
- D. Deliverables: Deliverables for this task may include documentation of installation of equipment, report to include overviews of the installation and commissioning of the site. TCEQ is not obligated to reimburse funds prior to the installation of the project at the specific project site.

Task 7: Testing of final design

- A. Objective: Describe the objective of this task
- B. Steps: Detailed steps to be taken
1. Step 1 description
 2. Step 2 description
 3. Etc.
- C. Schedule: Deadline for completion
- D. Deliverables: Deliverables for this task may include any relevant reports and/or test procedures and results.

Task 8: Operation Period Reporting [identical for all grants]

- A. Objective: Operate the project for at least a five-year period and report annually to TCEQ on the status of the project operation. All reports will be made publicly available on TCEQ's website.
- B. Schedule: Fulfill this task for five years from the completion of the Implementation period. The Implementation Period will end upon TCEQ issuing the final payment of grant funds.
- C. Deliverables:
1. Annual operation status reports.
 2. Final operation report submitted to TCEQ upon completion of this task.

V. Timeline

Please provide a Gantt chart or other timeline of all major project milestones and deliverables. All work must be completed within the time period specified in the grant contract; therefore, the proposed timeline should allow adequate flexibility for meeting this deadline given any delays.