



**Texas Commission on Environmental Quality (TCEQ)**  
**Texas Emissions Reduction Plan (TERP)**  
**Seaport and Rail Yard Areas Emissions Reduction Program (SPRY)**  
**Summary**

### **1. Purpose**

The SPRY program provides grants to repower or replace older vehicles and equipment operating at eligible seaports and rail yards with newer models to reduce emissions of nitrogen oxides (NO<sub>x</sub>) and other pollutants, including particulate matter.

### **2. Eligible Applicants**

A person is eligible to apply for funding if, for at least the two years immediately preceding the application signature date, the applicant has:

- owned or leased an on-road vehicle, non-road yard truck, or other cargo handling equipment eligible to be replaced or repowered under the program; and
- operated the vehicle or equipment in an eligible seaport or rail yard located in the state's air quality nonattainment areas for a minimum of 200 days per year.

### **3. Vehicles & Equipment Eligible for Replacement or Repower**

- Eligible vehicles & equipment include:
  - heavy-duty vehicles with a gross vehicle weight rating over 26,000 lbs.;
  - non-road yard trucks; and
  - other cargo handling equipment.
- Vehicles and equipment must have been used in their primary function in the routine operations of the applicant in Texas for the two years immediately preceding the application signature date.
- Vehicles must be currently registered in Texas and must have been continuously registered in Texas for the two years immediately preceding the application signature date.
- Vehicles and equipment must have at least five years of useful life remaining.

### **4. Vehicles & Equipment Eligible for Purchase**

- The new vehicle or equipment must be of the same type, horsepower range, weight category, and body and axle configuration as the vehicle or equipment being replaced.
- The engine in the new vehicle or equipment must be powered by electricity or be an engine certified to the current federal emissions standards applicable to that type of engine and emit NO<sub>x</sub> at a rate that is at least 25% less than the emissions rate of the engine in the vehicle or equipment being replaced.

### **5. Eligible Seaports & Rail Yards**

- Eligible applicants must operate in an eligible seaport or rail yard located in the state's air quality nonattainment areas to be considered for a grant.
- An **eligible seaport** is a publicly or privately owned property associated with the

primary movement of cargo or materials from oceangoing vessels or barges to shore or vice-versa, including structures and property devoted to receiving, handling, holding, consolidating, and loading or delivery of waterborne shipments.

- An **eligible seaport** also includes publicly or privately owned property within a ship channel security district established under Texas Water Code, Chapter 68. Publicly or privately owned property within Houston Ship Channel Security District (HSCSD) is considered eligible for consideration of a grant under this solicitation.
- An **eligible rail yard** is a rail facility where cargo is routinely transferred from drayage truck to train or vice versa, including structures that are devoted to receiving, handling, holding, consolidating, and loading or delivery of rail-borne cargo.

## 6. Usage Commitment

- A grantee must agree to monitor the use of the grant-funded equipment for the five-year activity life.
- During the five-year activity life, grantees must commit to operating the new vehicle or equipment at an eligible seaport or rail yard for a minimum of 200 days per year, and:
  - the **new vehicle** at least 50% of annual miles in the nonattainment areas and affected counties; or
  - the **new equipment** at least 75% of annual hours in the nonattainment areas and affected counties.

## 7. Eligible Grant Amounts

Grantees may be eligible for reimbursement of up to 80% of the costs associated with the purchase of the new vehicle or equipment, not to exceed the maximum grant amount listed in the Maximum Eligible Grant Amount Tables found at [www.terpgrants.org](http://www.terpgrants.org).

## 8. Disposition

The old vehicle or equipment and engine must be rendered permanently inoperable within 90 days of receiving reimbursement.

## 9. Prioritization for Funding

Grants will be awarded on a first-come, first-served basis.

For more information, visit [www.terpgrants.org](http://www.terpgrants.org), email [TERP@tceq.texas.gov](mailto:TERP@tceq.texas.gov) or call the toll-free TERP hotline at 800-919-TERP (8377).