Texas Natural Gas Foundation
High-Emission Vehicle Replacement Project
SEP No. 2016-10

Project Description
Texas Natural Gas Foundation (“TNGF”) is a non-profit organization dedicated to educating the public on the benefits of natural gas and identifying innovative opportunities to utilize natural gas that would positively impact businesses and regulatory environments. TNGF has identified an opportunity to positively impact air quality and human health by using SEP Funds to assist public entities in replacing their high-emission, diesel fleet vehicles with low-emission, alternative-fueled vehicles.

Specifically, TNGF shall expend SEP Funds to reimburse an eligible public entity for the total purchase price or five-year lease price of a standard base model alternative-fueled vehicle (“Replacement Vehicle”) that will replace an older, diesel-fueled vehicle (“Older Diesel Vehicle”) that the public entity has decommissioned and removed from its fleet. Public entities eligible to receive assistance pursuant to this Agreement include state agencies, counties, municipalities, school districts, or other political subdivisions created under the constitution or any statute of this state.

Old, diesel-fueled vehicles emit large amounts of nitrogen oxides (“NOx”), and particulate matter (“PM”), as well as other harmful pollutants such as volatile organic compounds (“VOCs”) and carbon monoxide (“CO”). These pollutants contribute to serious public health problems. This Project shall reduce NOx, PM, VOCs, and CO emissions by replacing high-emission, diesel-fueled vehicles with low-emission, alternative-fueled vehicles.

Environmental Benefit
This Project will directly benefit air quality by reducing harmful exhaust emissions that contribute to the formation of ozone and may cause or exacerbate a number of respiratory diseases, including asthma. For example, replacing a model year 2002 heavy-duty diesel dump truck with a model year 2010 or newer dump truck powered by natural gas or propane may reduce passengers’ exposure to NOx by 95% and PM by 99.9%. Moreover, replacing a model year 1989 diesel school bus with a model year 2010 or newer school bus powered by natural gas or propane may reduce passengers’ exposure to NOx by 98%, VOCs by 83%; and PM by 99%.

Eligible Areas and Counties
Statewide. TNGF shall prioritize to use SEP Funds pursuant to this Agreement in the TCEQ Air Control Regions from which the corresponding administrative penalty originated.

Minimum Contribution Amount
$100

Total Project Budget
$8,178,242