

APPENDIX D-4
Beneficiary Eligible Mitigation Action Certification

BENEFICIARY ELIGIBLE MITIGATION ACTION CERTIFICATION

Beneficiary State of Texas

Lead Agency Authorized to Act on Behalf of the Beneficiary Texas Commission on Environmental Quality (TCEQ)
(Any authorized person with delegation of such authority to direct the Trustee delivered to the Trustee pursuant to a Delegation of Authority and Certificate of Incumbency)

Action Title:	TxVEMP School Bus, Shuttle Bus, or Transit Bus Program
Beneficiary's Project ID:	
Funding Request No.	<i>(sequential)</i>
Request Type: (select one or more)	<input checked="" type="checkbox"/> Reimbursement <input type="checkbox"/> Advance <input type="checkbox"/> Other (specify): _____
Payment to be made to: (select one or more)	<input type="checkbox"/> Beneficiary <input checked="" type="checkbox"/> Other (specify): <u>Vendors and Lead Agency</u>
Funding Request & Direction (Attachment A)	<input type="checkbox"/> Attached to this Certification <input checked="" type="checkbox"/> To be Provided Separately

SUMMARY

Eligible Mitigation Action	<input checked="" type="checkbox"/> Appendix D-2 item (specify): <u>Category 2- School Bus, Shuttle Bus, or Transit Bus</u> <input type="checkbox"/> Item 10 - DERA Option (5.2.12) (specify and attach DERA Proposal):
Action Type	
Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1):	
<small>The TCEQ requests \$50,652,776 (the correct amount that we initially requested was \$60,998,888) \$65,657,473.88 in funds for the replacement or repower of older school buses, shuttle buses, and transit buses with cleaner models. Projects funded under this request will mitigate the potential for exposure of the public to pollutants. (Page 3, Beneficiary Mitigation Plan for Texas)</small>	
Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2):	
These actions will mitigate nitrogen oxides (NOx) emissions that can impact the formation of ground-level ozone in local and regional areas. See attachment	
Estimate of Anticipated NOx Reductions (5.2.3):	
The TCEQ estimates that projects funded under this action will mitigate approximately 670 tons of NOx over a four-year period.	
Identification of Governmental Entity Responsible for Reviewing and Auditing Expenditures of Eligible Mitigation Action Funds to Ensure Compliance with Applicable Law (5.2.7.1):	
TCEQ	
Describe how the Beneficiary will make documentation publicly available (5.2.7.2).	
See Attachment	
Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).	
See Attachment	
Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).	
See Attachment	

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).

See Attachment

ATTACHMENTS
(CHECK BOX IF ATTACHED)

- Attachment A Funding Request and Direction.
- Attachment B Eligible Mitigation Action Management Plan Including Detailed Budget and Implementation and Expenditures Timeline (5.2.4).
Revised Sept. 2023
- Attachment C Detailed Plan for Reporting on Eligible Mitigation Action Implementation (5.2.11).
Revised Sept. 2023
- Attachment D Detailed cost estimates from selected or potential vendors for each proposed expenditure exceeding \$25,000 (5.2.6). [Attach only if project involves vendor expenditures exceeding \$25,000.]
Revised Sept. 2023
- Attachment E DERA Option (5.2.12). [Attach only if using DERA option.]
- Attachment F Attachment specifying amount of requested funding to be debited against each beneficiary's allocation (5.2.13). [Attach only if this is a joint application involving multiple beneficiaries.]

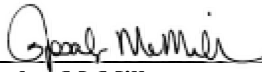
CERTIFICATIONS

By submitting this application, the Lead Agency makes the following certifications:

1. This application is submitted on behalf of Beneficiary ^{State of Texas} _____, and the person executing this certification has authority to make this certification on behalf of the Lead Agency and Beneficiary, pursuant to the Certification for Beneficiary Status filed with the Court.
2. Beneficiary requests and directs that the Trustee make the payments described in this application and Attachment A to this Form.
3. This application contains all information and certifications required by Paragraph 5.2 of the Trust Agreement, and the Trustee may rely on this application, Attachment A, and related certifications in making disbursements of trust funds for the aforementioned Project ID.
4. Any vendors were or will be selected in accordance with a jurisdiction's public contracting law as applicable. (5.2.5)
5. Beneficiary will maintain and make publicly available all documentation submitted in

support of this funding request and all records supporting all expenditures of eligible mitigation action funds subject to applicable laws governing the publication of confidential business information and personally identifiable information. (5.2.7.2)

DATED: 09/28/2023



Josalyn McMillon
Deputy Director, Air Grants Division
Texas Commission on Environmental Quality

[LEAD AGENCY]

for

State of Texas

[BENEFICIARY]

Attachment

Explanation of how funding request fits into Beneficiary's Mitigation Plan (5.2.1).

TCEQ requests—~~\$58,652,778~~ (the correct amount that we initially requested was \$60,998,888) \$65,657,473.88 in funds for the replacement or repower of about 290 older school buses, shuttle buses, and transit buses with cleaner models. Projects funded under this request will mitigate the potential for exposure of the public to pollutants. (Page 3, Beneficiary Mitigation Plan for Texas)

Detailed Description of Mitigation Action Item Including Community and Air Quality Benefits (5.2.2).

School Buses:

This category includes replacement or repower of model year 2009 and earlier Class 4 - 8 school buses.

These actions will mitigate nitrogen oxides (NOx) emissions while also reducing the potential for exposure of school children and the public, in general, to other pollutants from older diesel and gasoline engines. These vehicles operate on regular routes within the community resulting in the potential for exposure of children riding on the school bus and the public, in general, along these routes to pollutants emitted by older engines.

Transit and Shuttle Buses:

This category includes the replacement or repower of model year 2009 and earlier Class 4 - 8 transit and shuttle buses.

The operation of transit and shuttle bus fleets results in NOx emissions that can impact the formation of ground-level ozone in the local and regional area. In addition, these vehicles operate on regular daily routes within the community, resulting in increased potential for exposure of the public to pollutants emitted by older engines.

Replacing older diesel transit and shuttle fleets with newer, lower-emitting models, including those powered by alternative fuels, advanced diesel technologies, or electricity will directly address the program goals.

Eligible grantees must be in the listed Priority Area and Counties:

Priority Area	Counties
Austin Area:	Bastrop, Caldwell, Hays, Travis, Williamson
Beaumont-Port Arthur Area:	Hardin, Jefferson, Orange
Bell County:	Bell
Dallas-Fort Worth Area:	Colin, Dallas, Denton, Ellis, Hood, Johnson, Kaufman, Parker, Rockwall, Tarrant, Wise
El Paso County:	El Paso
Houston-Galveston-Brazoria Area:	Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, Waller
San Antonio Area:	Bexar, Comal, Guadalupe, Wilson

Describe how the Beneficiary will make documentation publicly available (5.2.7.2).

Documents will be made publicly available through the:

- Texas Volkswagen Environmental Mitigation Program (TxVEMP) website www.TexasVWFund.org;
- TxVemp email subscription list; and
- Texas Electronic State Business Daily website.

In addition, the Texas Commission on Environmental Quality (TCEQ) will be hosting application workshops and webinars to assist grantees with the application process.

Describe any cost share requirement to be placed on each NOx source proposed to be mitigated (5.2.8).

Grants will be awarded on a first-come, first-served basis. An applicant may apply for and may be reimbursed for no more than the maximum percentage of cost limits or a predetermined table amount, whichever is less. See below for the maximum percentage of cost limits.

Government-Owned	
Replacement or Repower-Electric, Diesel, or Alternative Fuel	80%
Non-Government-Owned	
Replacement- Diesel or Alternative Fuel	25%
Repower- Diesel or Alternative Fuel	40%
Replacement or Repower- Electric	50%

Revision effective June 29, 2023

An additional grant round was opened under this mitigation action on June 29, 2023. The maximum percentage of cost limits for this grant round were increased and are provided in the table below.

Government-Owned	
Replacement or Repower- Electric	100%
Non-Government-Owned	
Replacement or Repower- Electric	75%

Payments will be made on a reimbursement basis for eligible expenses incurred and paid by the grant recipient. A cost may not be considered incurred until the grant funded goods and services have been received and accepted by the grant recipient. Grant recipients will be required to provide documentation to show that equipment or services have been received and the expenses have been incurred and paid by the grant recipient before reimbursement is provided by the TCEQ.

Describe how the Beneficiary complied with subparagraph 4.2.8, related to notice to U.S. Government Agencies (5.2.9).

In accordance with Section 4.2.8 of the State Trust Agreement, the TCEQ provided notice via email to the U.S. Department of Interior and U.S. Department of Agriculture of the opportunity to request Volkswagen mitigation action funds. This notice included a copy of the State Trust

Agreement and informed them of the opportunity to comment on Texas' draft Beneficiary Mitigation Plan.

If applicable, describe how the mitigation action will mitigate the impacts of NOx emissions on communities that have historically borne a disproportionate share of the adverse impacts of such emissions (5.2.10).

The plan identifies seven Priority Areas that bear a disproportionate share of air pollution and particularly ozone within Texas:

- Dallas-Fort Worth Area
- Houston-Galveston-Brazoria Area
- San Antonio Area
- Austin Area
- El Paso County
- Bell County
- Beaumont-Port Arthur Area

These include the three areas of the state identified as nonattainment for the ground level ozone National Ambient Quality Standards (NAAQS) and four other areas of the state that have monitored ground-level ozone concentrations close to the 2015 ground-level ozone NAAQS limit of 70 parts per billion.

Nonattainment Areas:

- Dallas-Fort Worth Area:
 - Collin, Dallas, Denton, Ellis, Hood, Johnson, Kaufman, Parker, Rockwall, Tarrant, and Wise
- Houston-Galveston-Brazoria Area:
 - Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller
- San Antonio Area:
 - Bexar

Attainment Areas:

- Austin Area:
 - Bastrop, Caldwell, Hays, Travis, and Williamson
- El Paso County
- Bell County
- Beaumont-Port Arthur Area:
 - Hardin, Jefferson, and Orange
- San Antonio Area:
 - Comal, Guadalupe, and Wilson

The Priority Areas contain many of the major metropolitan centers of the state as well as approximately 71% of the state population. Because of ground-level ozone formation in these areas, the TCEQ has determined that 81% of the total funding (approximately \$169.5 million) will be allocated exclusively to these areas to provide beneficial impacts on air quality.

The replacement or repower of school buses and shuttle and transit buses that operate within communities located in these areas will help address the goals of the program, including reducing the potential exposure of residents in within these communities to pollutants emitted from older vehicles. To be considered operating in an area, a majority (51% or more) of the annual mileage or hours of operation of the grant funded vehicle or equipment must occur in the designated counties.

Attachment B to D-4: Eligible Mitigation Action Management Plan and Budget

I. Project Management Plan: Project Schedule and Milestones

An additional grant round was opened under this mitigation action on June 29, 2023. Key milestones for this grant round have been added to the table below.

Milestones	Grant Round No. 1 Dates ¹	Grant Round No. 2 Dates ¹
Application period for the replacement or repower of school buses, transit buses, and shuttle buses	May 2019- May 2020	June 2023- August 2025
Conduct application workshops in Priority Areas of Texas	May 2019	June 2023
Review and select project applications on a first-come, first served basis	May 2019- May 2020	June 2023- October 2025
Draft and execute contracts with entities selected for award	May 2019- May 2020	July 2023- October 2025
Process certification of disposition for equipment being replaced submitted by Awardee	May 2019- Aug. 2022	September 2023- October 2027
Process requests for reimbursement for the new equipment submitted by Awardee	May 2019- Aug. 2022	September 2023- October 2027
TCEQ certifies payment direction to Trustee monthly through the submission of an Attachment A.	May 2019-Aug. 2022	September 2023- October 2027
TCEQ will submit semi-annual reports to the trustee describing the process of implementing each eligible mitigation action included in the funding requests. These reports will include the status of each project and updates on payments to grantees and agency administrative costs.	Jan. 2020-Sept. 2022	June & January per AY
Upon confirmation of payment, Awardee begins commitment to operate the new equipment in the Priority Areas at least 51% of the equipment's total annual miles of operation.	Sep. 2022- Aug. 2027	June 2023- January 2027

¹Dates are approximate and may vary depending on the volume of applications received and awarded.

II. Project Budget

Please note: TCEQ projects that a balance of \$2,988,841.03 is remaining in Subaccount No. 123002-001. TCEQ is requesting that an additional \$8,284,881.62 be added to the project budget, leaving an available balance of \$11,273,722.65. The available balance will be used to award grants and pay for administrative expenditures under the grant round opened on June 29, 2023.

Budget Category	Total Requested Budget	Attachment A "School Bus Sub. 001"	New Requested Budget
Project Expenditures	\$56,962,317.01 \$58,652,777	\$7,953,486.36	\$64,915,803.37
Administrative Expenditures	\$410,275.25 -\$2,346,111	\$331,395.26	\$741,670.51
Total	\$60,998,888 \$57,372,592.26	\$8,284,881.62	\$65,657,473.88

In June of 2020, a total of \$3,626,295.74 of unallocated funds were moved from Account 123002-001 back into the main account 122969-051. This adjusted the original requested budget for School, Shuttle, and Transit Bus from \$60,998,888.00 to \$57,372,592.26.

III. Project Cost Share

Awardee Type	Project Type	% of Awardee Cost Share ¹
Government	Replacements and Repowers	≥ 20%
Non-Government	Replacement-Electric	≥ 50%
Non-Government	Replacement-Diesel or Alt. Fuel	≥ 75%
Non-Government	Repower-Electric	≥ 50%
Non-Government	Repower-Diesel or Alt. Fuel	≥ 40%

¹The percentage of the cost share to be paid by the awardee is applied to each repower or replacement activity included in a contract.

Revision effective June 29, 2023

An additional grant round was opened under this mitigation action on June 29, 2023. The revised project cost share amounts are provided in the table below.

Awardee Type	Project Type	% of Awardee Cost Share ¹
Government	Replacements and Repowers - Electric	≥ 0%
Non-Government	Replacement-Electric	≥ 25%

Attachment C to D-4: Detailed Plan for Reporting on Eligible Mitigation Action Implementation

1. Purpose: The Texas Volkswagen Environmental Mitigation Program (TxVEMP) is preparing to open the first round of funding for projects to replace or repower School Buses, Shuttle Buses, and Transit Buses. Electric and hydrogen infrastructure may also be included in a project application for charging or refueling all-electric or hydrogen-fuel cell replacement and repower vehicles included in the project.

2. Program Criteria

- a. **Eligible Applicants:** Eligible applicants under the TxVEMP must operate school buses, shuttle buses, or transit buses of 14,001 pounds or greater at least 51% of the buses' annual mileage in one of the Priority Areas.
- b. **School buses, shuttle buses, and transit buses being replaced or repowered must:**
 - have a diesel engine with a model year of 2009 or older;
 - be considered capable of performing its primary function for the next five years;
 - been continuously inspected and registered in Texas for the two years immediately preceding the application signature date;
 - been used routinely by the applicant in its primary function in Texas for the two years immediately preceding the application signature date; and
 - been owned by the applicant at the time of application and for the two years immediately preceding the application signature date.
- c. **New school buses, shuttle buses, and transit buses must:**
 - be powered by electricity, diesel, or an alternative fuel (e.g., CNG, propane, hybrid);
 - have an engine model year not more than one year older than the year the application is submitted;
 - be certified by the EPA or CARB to a NO_x emissions standard or family emissions limit (FEL) of 0.2 g/bhp-hr or lower; and
 - be of the same type, weight category, and body and axle configuration as the vehicle being replaced.

Revision Effective June 29, 2023:

An additional grant round was opened under this mitigation action on June 29, 2023. Under this grant round, the new school bus, shuttle bus, or transit bus must be powered by an electric engine.

- d. **Activity life and usage commitment:** The applicant must commit to use the grant-funded vehicle at least 51% of the vehicle's annual miles of operation in one of the Priority Areas for the duration of the five-year activity life. Annual reports on the use of the grant-funded vehicles and equipment will not be required. However, the grant recipient must agree to provide information on the use of the vehicles and equipment upon request by the TCEQ.
- e. **Eligible grant amounts will be the lesser amount of:**
 - (i) the predetermined grant amount set by the TCEQ for that type of activity; or
 - (ii) the maximum percentage of eligible costs for the actual, eligible expenditures.

3. Application Review and Selection: Eligible projects will be processed for approval on a first-come, first-served basis. During the first three months of the application period, an entity may apply for and be approved for the replacement or repower of no more than 20 vehicles, either in one application or multiple applications.

Revision Effective June 29, 2023:

An additional grant round was opened under this mitigation action on June 29, 2023. Under this grant round, an entity was not limited to (applying for and being approved for) 20 vehicles during the first three months of the application period. However, TCEQ reserves the right to limit the award of more than 50% of a funding allocation to a single applicant.

4. Outreach

- a. **Program Documents:** Program documents will be available on the TxVEMP website once the round has officially opened to the public. Documents have been drafted in accordance with accessibility standards and are available in a fillable PDF format.
- b. **Program Notifications:** Notifications will be provided on the status of grant rounds through the TxVEMP email list serve and official agency press releases.

- c. **Application workshops:** TxVEMP staff will conduct application workshops in each of the Priority Areas. Webinars will also be provided for interested parties who are unable to attend a live workshop.
A webinar was held on June 27, 2023, for the grant round that opened on June 29, 2023. TCEQ did not conduct workshops in each of the priority areas.
- d. **Funds availability status:** TxVEMP staff will regularly update a ticker provided on the TxVEMP website to update interested parties on the availability of funding under the first round.
- e. **Project Summaries:** TxVEMP staff will provide a monthly project summary report on the TxVEMP website. The report will include project descriptions and awarded grant amounts., ~~and project emissions reductions.~~

Attached are the grant tables for School Buses, Shuttle Buses, and Transit Buses (All electric)

School Buses Type A

School Buses Type C

School Buses Type D

Shuttle Buses, Large (>28 ft. in length)

Shuttle Buses, Small (20-28 ft. in length)

FY23 Texas Volkswagen Environmental Mitigation Program Grant Tables

Replacement or Repower of Type A School Buses

For replacement and repower projects, applicants will receive up to the lesser of the following options:

- 1) The grant amounts shown in these Grant Tables; or
- 2) The reimbursement rate indicated below (see Section 3 of the RFGA).

Government Entities – 100% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle's operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$310,000
2004-2006	Electric/Hydrogen Fuel Cell	\$184,094
2007-2009	Electric/Hydrogen Fuel Cell	\$77,481

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

Non-Government Entities – 75% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle's operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$232,519
2004-2006	Electric/Hydrogen Fuel Cell	\$138,051
2007-2009	Electric/Hydrogen Fuel Cell	\$58,111

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

FY23 Texas Volkswagen Environmental Mitigation Program Grant Tables

Replacement or Repower of Type C School Buses

For replacement and repower projects, applicants will receive up to the lesser of the following options:

- 1) The grant amounts shown in these Grant Tables; or
- 2) The reimbursement rate indicated below (see Section 3 of the RFGA).

Government Entities – 100% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle's operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$370,000
2004-2006	Electric/Hydrogen Fuel Cell	\$219,711
2007-2009	Electric/Hydrogen Fuel Cell	\$92,537

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

Non-Government Entities – 75% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle's operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$277,537
2004-2006	Electric/Hydrogen Fuel Cell	\$164,764
2007-2009	Electric/Hydrogen Fuel Cell	\$69,347

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

FY23 Texas Volkswagen Environmental Mitigation Program Grant Tables

Replacement or Repower of Type D School Buses

For replacement and repower projects, applicants will receive up to the lesser of the following options:

- 1) The grant amounts shown in these Grant Tables; or
- 2) The reimbursement rate indicated below (see Section 3 of the RFGA).

Government Entities – 100% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle’s operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$400,000
2004-2006	Electric/Hydrogen Fuel Cell	\$237,504
2007-2009	Electric/Hydrogen Fuel Cell	\$99,965

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

Non-Government Entities – 75% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle’s operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$299,965
2004-2006	Electric/Hydrogen Fuel Cell	\$178,111
2007-2009	Electric/Hydrogen Fuel Cell	\$75,009

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

FY23 Texas Volkswagen Environmental Mitigation Program Grant Tables

Replacement or Repower of Transit or Urban Buses

For replacement and repower projects, applicants will receive up to the lesser of the following options:

- 1) The grant amounts shown in these Grant Tables; or
- 2) The reimbursement rate indicated below (see Section 3 of the RFGA).

Government Entities – 100% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle's operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$830,000
2004-2006	Electric/Hydrogen Fuel Cell	\$492,825
2007-2009	Electric/Hydrogen Fuel Cell	\$207,521

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

Non-Government Entities – 75% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle's operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$622,521
2004-2006	Electric/Hydrogen Fuel Cell	\$369,619
2007-2009	Electric/Hydrogen Fuel Cell	\$155,609

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

FY23 Texas Volkswagen Environmental Mitigation Program Grant Tables

Replacement or Repower of Small Shuttle Buses (20 ft. to 28 ft. in length)

For replacement and repower projects, applicants will receive up to the lesser of the following options:

- 1) The grant amounts shown in these Grant Tables; or
- 2) The reimbursement rate indicated below (see Section 3 of the RFGA).

Government Entities – 100% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle’s operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$150,000
2004-2006	Electric/Hydrogen Fuel Cell	\$89,072
2007-2009	Electric/Hydrogen Fuel Cell	\$37,500

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.

Non-Government Entities – 75% Reimbursement Rate

Not less than 51% of the grant-funded on-road vehicle’s operation must occur in one of the priority areas (see Appendix A of the RFGA). For more details about operational commitments, please see Sections 2.8 and 4.7 of the RFGA.

Model Year of Old Engine	Fuel Type of New Vehicle	Grant Amount
1992-2003 ¹	Electric/Hydrogen Fuel Cell	\$112,500
2004-2006	Electric/Hydrogen Fuel Cell	\$66,796
2007-2009	Electric/Hydrogen Fuel Cell	\$28,129

¹Some manufacturers were producing 2003 engines that met the more stringent 2.375 g/bhp-hr standard for NO_x. Vehicles that meet the 2.375 g/bhp-hr NO_x standard should use the 2004-2006 grant amounts instead. Contact TERP if you are unsure of your grant amount for your 2003 vehicle.