

Texas Commission on Environmental Quality

4 Chapter 114 - Control of Air Pollution from Motor Vehicles

4K Subchapter K : Mobile Sources Incentive Programs

4K5 DIVISION 5 : TEXAS CLEAN FLEET PROGRAM EMISSIONS

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Outline:

§114.650. Definitions. 4-96, TXd210, TX204
§114.651. Applicability. 4-96, TXd210, TX204
§114.652. Qualifying Vehicles. 4-96, TXd210, TX204
§114.653. Grant Eligibility. 4-96, TXd210, TX204
§114.654. Usage and Disposition. 4-77, TXd149, TX053
§114.655. Grant Restrictions. 4-75, TXd149, TX053
§114.656. Eligible Grant Amounts. 4-88, TXd198, TX162
§114.657. Reporting Requirements. 4-75, TXd149, TX053
§114.658. Implementation Schedule. 4-75, TXd149, TX053
*****end outline tx4K5 TXd210*****yza****

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DIVISION 5: TEXAS CLEAN FLEET PROGRAM
§§114.650 - 114.657
Effective April 26, 2018

§114.650. Definitions.

Unless specifically defined in the Texas Clean Air Act (TCAA) or in the rules of the commission, the terms used in this subchapter have the meanings commonly ascribed to them in the field of air pollution control. In addition to the terms that are defined by the TCAA and §§3.2, 101.1, and 114.1 of this title (relating to Definitions), the following words and terms, when used in this division will have the following meanings, unless the context clearly indicates otherwise.

(1) Agricultural product transportation--The transportation of a raw agricultural product from the place of production using a heavy-duty on-road vehicle to:

(A) a nonattainment area;

(B) an affected county as defined under Texas Health and Safety Code (THSC), §386.001;

(C) a destination inside the clean transportation zone established under THSC, §393.001; or

(D) a county adjacent to a county described by subparagraph (B) of this paragraph or that contains an area described by subparagraph (A) or (C) of this paragraph.

(2) Alternative fuel--A fuel, other than gasoline or diesel fuel. When used in this division, this definition is limited to the following: electricity, compressed natural gas, liquefied natural gas, hydrogen, propane, or a mixture of fuels containing at least 85% methanol by volume.

(3) Eligible entity--Any person or entity with a fleet of 75 or more vehicles that:

(A) are registered in Texas; and

(B) include at least 10 vehicles that are eligible for replacement.

(4) Golf cart--A motor vehicle designed by the manufacturer primarily for transporting persons on a golf course.

(5) Heavy-duty vehicle--A motor vehicle with a gross vehicle weight rating greater than 8,500 pounds and containing an engine certified to the United States Environmental Protection Agency's heavy-duty engine standards.

(6) Hybrid vehicle--A motor vehicle with at least two different energy converters and two different energy storage systems on board the vehicle for the purpose of propelling the vehicle.

(7) Light-duty motor vehicle--A motor vehicle with a gross vehicle weight rating of less than 10,000 pounds and certified to the United States Environmental Protection Agency's light-duty vehicle emission standards.

(8) Motor vehicle--A self-propelled device designed for transporting persons or property on a public highway that is required to be registered under Texas Transportation Code, Chapter 502.

(9) Neighborhood electric vehicle--A motor vehicle that:

(A) is originally manufactured to meet, and does meet, the equipment requirements and safety standards established for "low-speed vehicles" in Federal Motor Vehicle Safety Standard No. 500 (49 Code of Federal Regulations §571.500);

(B) is a slow-moving vehicle, as defined by Texas Transportation Code, §547.001 that is able to attain a speed of more than 20 miles per hour but not more than 25 miles per hour in one mile on a paved, level surface;

(C) is a four-wheeled motor vehicle;

(D) is powered by electricity or alternative power sources;

(E) has a gross vehicle weight rating of less than 3,000 pounds;
and

(F) is not a golf cart.

(10) Program--The Texas Clean Fleet Program established under this division.

Adopted April 4, 2018

Effective April 26, 2018

§114.651. Applicability.

(a) Any eligible entity that will replace 10 or more on-road diesel vehicles within a 12-month period with qualifying vehicles may apply for a grant under the Texas Clean Fleet Program to offset the cost of replacing those vehicles with alternative fuel or hybrid vehicles.

(b) Notwithstanding subsection (a) of this section, an entity that submits a grant application for 10 or more qualifying vehicles is eligible to participate in the program even if the commission denies approval for one or more of the vehicles during the application process.

(c) The commission may allow a regional planning commission, council of governments, or similar regional planning agency created under Local Government Code, Chapter 391, or a private nonprofit organization to apply for and receive a grant to improve the ability of the program to achieve its goals.

Adopted April 4, 2018

Effective April 26, 2018

§114.652. Qualifying Vehicles.

(a) A qualifying vehicle is one that:

(1) is certified to the appropriate current federal emissions standards as determined by the commission;

(2) replaces a diesel-powered on-road vehicle of the same weight classification and use; and

(3) is a hybrid vehicle or fueled by an alternative fuel.

(b) As a condition of receiving a grant the qualifying vehicle must be continuously owned, registered, and operated in Texas by the grant recipient until the earlier of the fifth anniversary of the date of reimbursement of the grant-funded expenses or until the date the vehicle has been in operation for 400,000 miles after the date of reimbursement.

(c) A vehicle is not a qualifying vehicle if it:

(1) is a neighborhood electric vehicle;

(2) has been used as a qualifying vehicle to qualify for a grant under this division for a previous reporting period or by another entity; or

(3) has qualified for a similar grant or tax credit in another jurisdiction.

Adopted April 4, 2018

Effective April 26, 2018

§114.653. Grant Eligibility.

(a) To be eligible for a grant under the program a project must result in nitrogen oxide emission reductions of at least 25%, based on:

- (1) the baseline emission level set by the executive director; and
- (2) the certified emission rate of the new vehicle or engine.

(b) The vehicle being replaced must:

(1) be an on-road vehicle that has been owned, leased, or otherwise commercially financed, and registered and operated by the applicant in Texas for at least the two years immediately preceding the submission of a grant application;

(2) satisfy any minimum average annual mileage or fuel usage requirements established by the executive director;

(3) satisfy any minimum percentage of annual usage requirements established by the executive director; and

(4) be in operating condition with at least two years of remaining useful life, as determined in accordance with criteria established by the executive director.

(c) At the discretion of the executive director, projects that result in a 25% reduction in other pollutants may be considered eligible for funding under this program.

(d) The executive director may establish additional criteria for purposes of prioritizing projects for selection. Such criteria may include, but are not limited to:

(1) nonattainment status of the primary location in which the eligible vehicles are used; or

(2) cost per ton benefits of the overall emissions being reduced.

(e) The executive director may waive the requirements of subsection (b)(1) of this section on a finding of good cause, which may include a waiver for short lapses in registration or operation attributable to economic conditions, seasonal work, or other circumstances. In determining good cause and deciding whether to grant a waiver, the executive director shall ensure that the emissions reductions

that will be attributed to the project will still be valid and, where applicable, meet the conditions for assignment for credit to the state implementation plan.

(f) In establishing more specific requirements or additional criteria, as authorized under this section, for projects related to agricultural product transportation, the executive director shall use as a determining factor for eligibility for participation in the program established under this division the overall accumulative net reduction in nitrogen oxide emissions in a nonattainment area, an affected county, or the clean transportation zone.

Adopted April 4, 2018

Effective April 26, 2018

§114.654. Usage and Disposition.

(a) Not less than 75% of the annual use of the qualifying vehicle, either mileage or fuel use as determined by the executive director, must occur in Texas.

(b) A vehicle or engine replaced under this program must be rendered permanently inoperable by crushing the vehicle, by making a hole in the engine block and permanently destroying the frame of the vehicle, or by another method approved by the executive director that permanently removes the vehicle from operation in this state. The executive director shall provide a means for an applicant to propose an alternative method for complying with the requirements of this subsection.

Adopted March 28, 2012

Effective April 19, 2012

§114.655. Grant Restrictions.

A recipient of a grant under this division shall use the grant to pay the costs of the project for which the grant is made, which may include the initial cost of the alternative fuel or hybrid vehicle. The recipient shall not use the grant to pay the recipient's administrative expenses.

Adopted February 24, 2010

Effective March 18, 2010

§114.656. Eligible Grant Amounts.

(a) The eligible grant amount for each heavy-duty on-road vehicle being replaced is up to 80%, as determined by the executive director, of the total cost for replacement.

(b) The eligible grant amount for each light-duty on-road vehicle being replaced is up to 80%, as determined by the executive director, of the total cost for replacement.

(c) The executive director may establish more specific standards for determining grant amounts within the maximum percentage of total costs established under this section consistent with the priorities for project selection, including consideration of the federal emission standards for different model years of heavy-duty engines and light-duty vehicles, decisions on pollutants of concern, and other factors that will help implement the project priorities.

(d) To be eligible for replacement, vehicles and engines imported into the United States from another country must have met all applicable emissions certification requirements for importation.

Adopted April 9, 2014

Effective May 1, 2014

§114.657. Reporting Requirements.

Grant recipients must meet the reporting requirements of their grant, which must occur no less frequently than annually.

Adopted February 24, 2010

Effective March 18, 2010

§114.658. Implementation Schedule.

This division expires on August 31, 2017.

Adopted February 24, 2010

Effective March 18, 2010