# NH STATE CLEAN DIESEL PROGRAM FY22 OVERVIEW

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- For official details on the program, see RFP, EPA Program Guide, and more at:
- https://www.des.nh.gov/business-andcommunity/loans-and-grants/dera



## **PROGRAM BASICS**



- Anticipated available funding pool: \$1,400,000
- Reimbursement projects to reduce diesel emissions
  - E.g. replace diesel units, upgrade diesel units, install idle reduction technology
- On-road/highway vehicles, non-road diesel equipment, locomotives, marine vessels, and, diesel engines!
- Open to most fleets/owners (public and private)
- Program is available now!
- First Round Proposals due September 9<sup>th</sup> at 4:00 PM
  - Round 2 due 11/1/22 and Round 3 due 1/1/23, if funding remains after previous round.

### BACKGROUND & FUNDING

EPA has provided annual funding through the Diesel Emissions Reduction Act (DERA)

New Hampshire Volkswagen Beneficiary Trust funds match DERA funds to unlock bonus DERA funds

Leftover funds from FY21 added to this year's funding

Anticipated funds: approximately \$1,400,000\*

• \*NHDES does not anticipate receiving FY22 funds until October

Purpose: to improve NH's air quality—for human health and for the environment—by reducing diesel emissions of  $NO_x$ ,  $PM_{2.5}$ , and  $CO_2$ . Exposure to diesel emissions can contribute to health problems such as asthma, lung cancer, and other cardiac and respiratory diseases and can cause premature death.

### TWO MAJOR CATEGORIES OF PROJECTS

#### Vehicle/Engine/Equipment Upgrades

Replace old diesels (2009 or older) with new diesels

Replace diesels (any age) with propane\*, CNG\*, or electric

Replace engines in marine vessels

#### Rebuild locomotives

#### And more!



Installing stationary plug-ins for idle reduction

Electric truck stops/parking spaces

Shore plug-in for marine vessels

#### Plug-ins for locomotives

\*Must be certified Low-NOx



## EXAMPLE PROJECTS

- Replace school buses with electric school buses
- Replace old diesel **plow truck** with new diesel plow truck
- Replace old diesel wheeled loader with new diesel wheeled loader
- Replace diesel refuse trucks with CNG refuse trucks
- Replace old diesel drayage trucks with new diesel drayage trucks

- Replace diesel engines in a fishing boat
- Rebuild **locomotive** engine
- Install electric parking spaces at a truck stop
- Replace a diesel-powered freight crane with a crane plugged directly into the grid











## SOME RESTRICTIONS TO KEEP IN MIND WHEN CONSIDERING

### **Eligibility Restrictions**



On-road diesel vehicles? Must be Class 5-8.



For a diesel-to-diesel swap, the old engine must be EMY 2009 or older.

• No age restriction for electric, or low-NOx propane/CNG.



Must be in regular usage (specific hour/mile usage for each kind of unit).



If you replace a diesel unit, it must be scrapped after you get the new one.

#### Administration Restrictions



Funding % is based on project type (details next slide).



Funds are only reimbursed AFTER project is completed.



Projects must be completed no later than Sept 30, 2023.\*

• \*Extensions are possible, but not guaranteed.



Cannot start project until *after* G&C approval. Any funds expended before then will not be reimbursed.

Sample of Project Categories (non-exhaustive)	Max Grant %	Min Cost- Share	Example Project and Total Eligible Cost	Example Grant %
Drayage Truck Replacement	50%	50%	Replace 2 2007 trucks, \$100,000 for each truck = \$200,000	NHDES may reimburse up to \$100,000 (50% of cost)
Replace 2009 or older vehicle/equipment with EPA certified diesel	25%	75%	Replace an EMY 2004 municipal plow/dump truck, \$120,000	NHDES may reimburse up to \$30,000 (25% of cost)
Replace vehicle/equipment with low-NOx propane or CNG	35%	65%	Replace 4 2013 refuse trucks with CNG trucks, \$300,000 each truck = \$1,200,000	NHDES may reimburse up to \$420,000 (35% of cost)
Replace vehicle/equipment with electric (plus charger!)	45%	55%	Replace 2 2010 school buses with EV buses, \$370,000 each = \$740,000 2 AC chargers (1 per vehicle) = \$3,000 Total = \$746,000	NHDES may reimburse up to \$335,700 (45% of cost)
Replace 2009 or older <b>engine</b> with EPA certified diesel	40%	60%	Replace 2 1985 propulsion engines in a fishing boat, \$50,000 each = \$100,000	NHDES may reimburse up to \$40,000 (40% of cost)
EPA Verified Electrified Parking Space Technologies	30%	70%	Install TSE pedestals at a truck stop; total eligible cost = \$200,000	NHDES may reimburse up to \$60,000 (30% of cost)

Criteria	Points	
A. Cost Effectiveness of Emissions Reductions		
Calculated using EPA's Diesel Emission Quantifier (DEQ) or Shore Power Emissions		
Calculator (for marine shore power projects only) and based upon the estimated lifetime emission reductions <sup>1</sup> of NO <sub>x</sub> and PM <sub>2.5</sub> .		
B. Percent Operation in NH		
Based on hours of operation or miles traveled within NH.		
C. Project Benefits an Environmental Justice Community or Population		
Evaluated using EPA's EJScreen mapping tool for areas most affected by project's proposed		
emissions reductions (e.g. areas of operation, corporate offices, and lots/depots).		
D. Greenhouse Gas Emission Reductions		
Calculated using the DEQ's or Shore Power Emissions Calculator (for marine shore power	10	
projects only) estimated lifetime reduction <sup>1</sup> of CO <sub>2</sub> emissions.		
E. Clarity of Proposal & Potential for Success		
Based on clarity of application materials, applicant's experience with similar projects, and		
potential for successful completion of project on time and on budget.		
F. Project Benefits an Area Populated by Sensitive Receptors		
Affected unit(s) operates a significant amount of time near groups of people		
disproportionately impacted by exposure to air pollution (e.g. children, the elderly,		
populations with underlying health issues). TOTAL	100	
Bonus Criteria	Points	
	POINTS	
G. Replacement with Alternative Fuel	25	
Up to 25 points awarded for electric; up to 15 points for compressed natural gas, propane, and plug-in hybrid electric.	25	
H. Government Entity		
Whether or not the unit(s)/technology is owned by a municipality, state agency, school		
district, or state college/university or will be operated under a contract with one of these	10	
entities for no fewer than eight years following the effective date of the project.		
I. Additional Benefits		
Other benefits created by project, including water quality, noise reduction, a plan to		
showcase the project, leveraging the project for future projects, environmental benefits beyond air quality, and more.		
snowcase the project, leveraging the project for future projects, environmental benefits		

### SCORING IS BASED ON THESE CRITERIA

### BONUS POINTS ARE AVAILABLE!

## **ESTIMATED TIMELINE**

Date	Event		
July 15, 2022	RFP and supporting documents published Application period open – interested parties may send proposals		
August 9, 2022, 10:00 AM Eastern	WEBINAR: Overview and Q&A		
September 9, 2022, 4:00 PM Eastern	Application period closes for Round I		
October 1, 2022 (approx.)	NHDES notifies selected projects to develop contracts		
November 1, 2022, 4:00 PM Eastern	Application period closes for Round 2*		
December I, 2022 (approx.)	NHDES notifies selected projects from Round 2* to develop contracts		
January 1, 2023, 4:00 PM Eastern	Application period closes for Round 3		
February I, 2023 (approx.)	NHDES notifies selected projects from Round 3* to develop contracts		
G&C Approval (variable timing)	Projects may begin		
<mark>September 30, 2023**</mark>	All projects must be completed <sup>**</sup>		
For 5 years after completion	Short usage reports every quarter (first 2 years) and year (last 3 years)		
*Round 2 and Round 3 contingent on available funding after previous round project selection.			

\*\*Extensions are possible, but not guaranteed, and are contingent on EPA approval.

## HOW CAN WE HELP? CONTACT US!

#### Granite State Clean Cities Coalition



Help with project development/ fleet analysis

#### Alternative Fuels Resources

- Database of vehicle/equipment options
- Cost of ownership calculators
- Case studies and usage reports
- Connections to alt fuel fleet managers & vendors

Workshops, webinars, meetings, and live demos of new technology

### NHDES

Technical support – accessing, understanding, and submitting proposal materials

Eligibility determination – not sure if your project could qualify? Ask!



Examples of past projects



Note: NHDES and GSCCC staff cannot advise on a project's likelihood of being selected for funding. For best results, contact us *early*.

## CONTACT INFO AND WEBSITE

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Recommended reading order:

- -Request for Proposals (read entirety)
- -EPA Program Guide (as referenced in RFP)
- $\neg$  -Proposal form (fillable document)

<u>Click here to register</u> for the webinar!

https://www.des.nh.gov/businessand-community/loans-andgrants/dera

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