



NEVADA DIVISION OF
**ENVIRONMENTAL
PROTECTION**



Nevada Department of
**CONSERVATION &
NATURAL RESOURCES**

**Nevada Division of Environmental Protection
Bureau of Air Quality Planning**

***Diesel Emission Mitigation Fund
2021 Competitive Application
Webinar***

November 3, 2021

Presented by:

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Planning and Mobile Sources Branch*

OUTLINE



- VW Settlement Overview
- DEMF Awards to Date
- Differences in this 2021 cycle
- DEMF 2021 Competitive Application
 - General Requirements
 - Categories
 - Additional Info
 - Funding Levels
 - Scoring Criteria
- Q&A

VOLKSWAGEN SETTLEMENT OVERVIEW

Two Partial Settlements between the U.S, California, and Volkswagen (VW) resulted in VW creating a \$2.9 billion Trust to offset their excess NOx emissions.

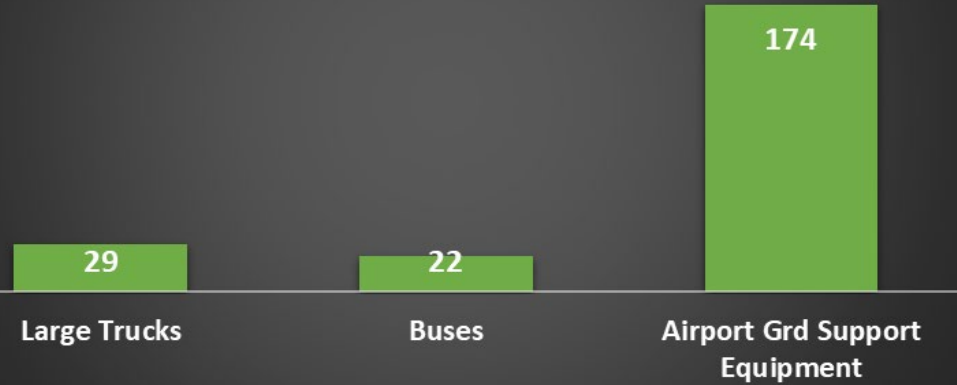
Nevada is receiving \$24.8 million from the State Trust.

- ~ \$19.5M for Diesel Emission Mitigation projects
- ~ \$4.1M for Nevada Electric Highway projects
- ~ \$1.2M for Nevada Clean Diesel projects

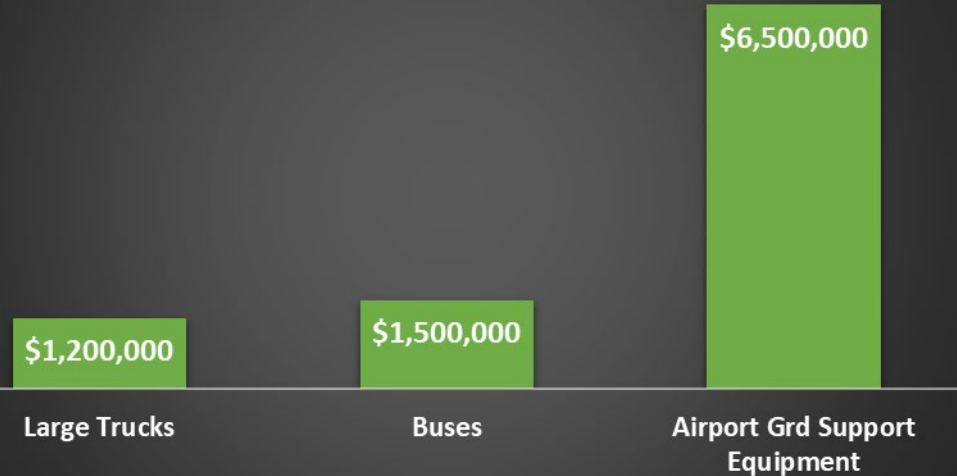
The purpose of the DEMF is to provide funding for projects that will reduce harmful diesel emissions from public and privately owned fleets operating in Nevada in order to improve and maintain air quality.

DEMF AWARDS TO DATE

Number of Equipment Replaced per Category

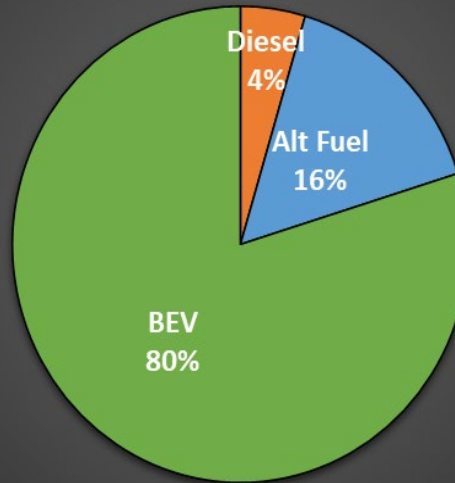


Funds Awarded per Category

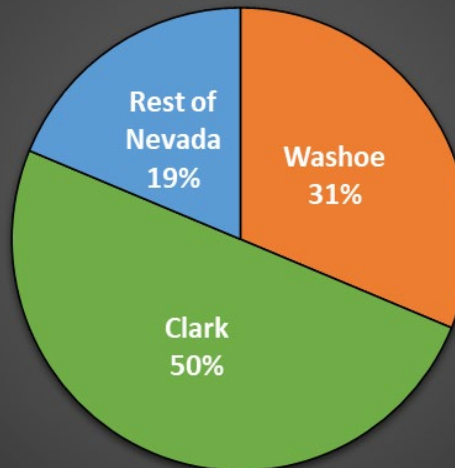


DEMF AWARDS TO DATE

Replacement Types in Awarded Projects



Main Locations of Awarded Projects



Nevada Diesel Emission Mitigation Fund Annual Competitive Application Form

For the Volkswagen Environmental Mitigation Trust Agreement
for State Beneficiaries



Applications are due by January 15, 2022



Please electronically submit completed applications to
NevadaDEMF@ndep.nv.gov and use the subject line:
NV Diesel Emission Mitigation Fund 2021 Application

DIFFERENCES IN THIS 2021 FUNDING CYCLE

- If you have previously been awarded VW Funds, you will not be eligible in this funding cycle.
- We will not use funds for diesel-to-diesel replacement/repower projects.
- These funds will cover the full incremental cost difference to alternative fuels/zero emission replacement/repower projects.
 - An eligible diesel-powered vehicle is going to be retired. Replacing it with a new diesel-powered vehicle would normally cost \$150,000. A zero-emission replacement costs \$350,000. The applicant would provide both quotes to NDEP with a request to cover the full difference, \$200,000 in this case.

IMPORTANT INFORMATION

Program information available online at:

<https://ndep.nv.gov/air/vw-settlement>

This application is only for Eligible Mitigation Action Categories 1-8 and 10.

Completed applications for 2021 funding will be accepted through January 15, 2022.

Announcements of selected projects are expected to come in early March.

NDEP may request additional information from applicants, they will have 10 calendar days to respond to any request.

Completed applications must be submitted electronically to NevadaDEMF@ndep.nv.gov.

GENERAL ELIGIBILITY REQUIREMENTS

The DEMF is intended to fund the early retirement of eligible vehicles/equipment before the end of their useful life. There are instances where the DEMF cannot or will not fund a project, they are:

- If you have already received funding before.
- If it is a diesel-to-diesel replacement/repower project.
- The replacement/repower of spare vehicles/equipment.
- Lease-purchase agreements.
- All vehicles/equipment that already have a replacement on order at the time of submission of an application.
- All diesel vehicle/equipment replacement projects with a scheduled retirement date or fleet turnover policy that would require retirement within three years of January 15, 2022.
- The submission of fraudulent data in support of an application.

ADDITIONAL INFORMATION

Applicants will have two years to complete their project from the time a Subgrant Agreement has been signed between NDEP and the Subgrantee.

Applicants should review the portions of [Appendix D-2 of the State Trust](#) which apply to their funding requests as well as [Nevada's Beneficiary Mitigation Plan](#) before completing their application.

All categories require the existing vehicle/equipment to be rendered permanently inoperable and available for recycle.

SCRAPPAGE REQUIREMENTS

- ✓ Existing equipment must be permanently removed from service.
- ✓ Minimum of 3" hole in engine block. Chassis cut in half between front and rear axles. NOTE: must provide documentation of scrappage



CATEGORIES OF ELIGIBLE MITIGATION ACTIONS

1	Class 8 Local Freight Trucks and Port Drayage Trucks
2	Class 4-8 School Bus, Shuttle Bus, or Transit Bus
3	Freight Switchers (Locomotives)
4	Ferries/Tugs
5	Ocean Going Vessels (OGV) Shorepower
6	Class 4-7 Local Freight Trucks (Medium Trucks)
7	Airport Ground Support Equipment
8	Forklifts and Port Cargo Handling Equipment
9	Light Duty Zero Emission Vehicle Supply Equipment
10	Diesel Emission Reduction Act (DERA) Option

Note: Category 9 funding is being spent in partnership with the Governor's Office of Energy.

2021 FUNDING LEVELS

NDEP is now offering to fund the incremental cost of a program eligible replacement/repower project as opposed to the flat dollar amounts in previous cycles.

Example:

A program eligible diesel-powered vehicle is going to be retired. Replacing it with a new diesel-powered vehicle would cost \$150,000. A new zero emission replacement would cost \$350,000. The applicant would provide both quotes to NDEP with a request to cover the difference, \$200,000 in this case, to support the applicant's purchase of the zero-emission vehicle.

Note: funding limits inherent to the State Trust still apply.

SCORING CRITERIA

Points are assigned to six different criteria (100 points possible)

1. NOx Emission Reductions and Cost-Effectiveness (25 pts)
2. Project Location (20 pts)
3. Environmental Co-Benefits (15 pts)
4. Likelihood of Additional Future Emissions Reductions (15 pts)
5. Project Feasibility (15 pts)
6. Societal Co-benefits (10 pts)

SCORING CRITERIA

1. NOX EMISSION REDUCTIONS AND COST-EFFECTIVENESS AND 3. ENVIRONMENTAL CO-BENEFITS

NDEP will quantify project emissions reductions using the data that applicants provide.

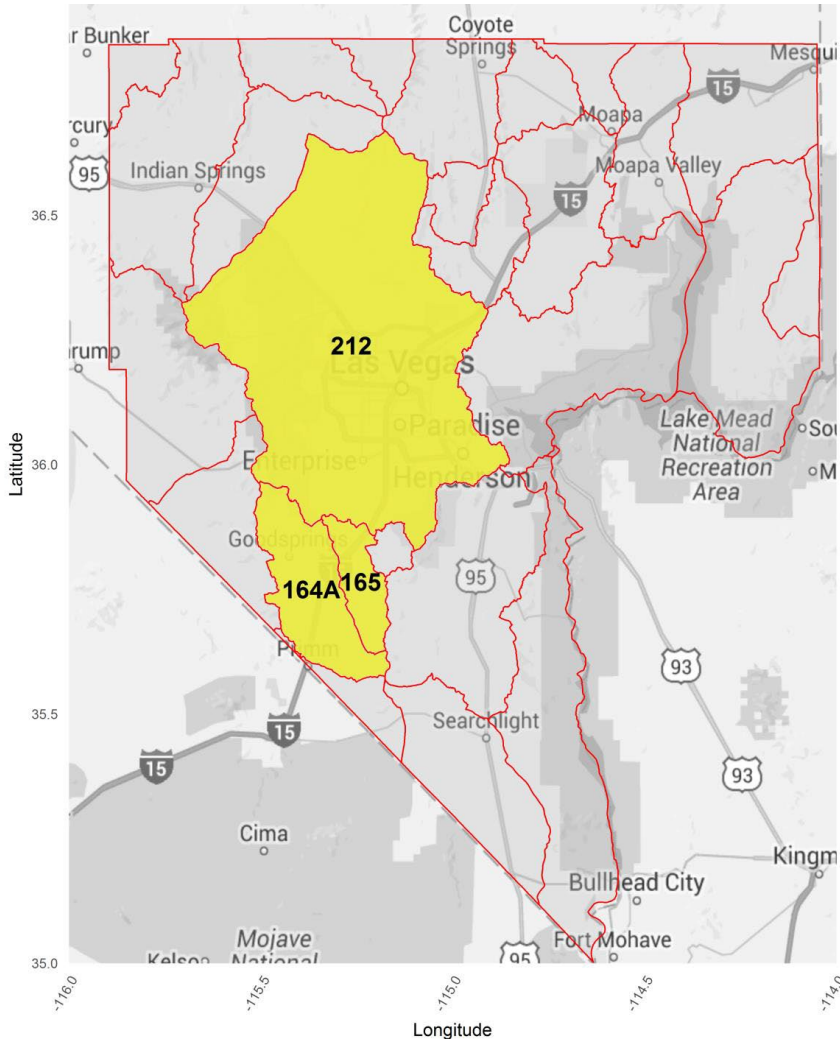
Categories 1, 2, and 6 will be quantified using the Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) Tool.

The remaining Categories will be quantified using the Diesel Emission Quantifier (DEQ).

If you are having trouble gathering all the required information for this application, please contact the NDEP well in advance of the deadline to submit, as we may be able to provide some assistance.

SCORING CRITERIA

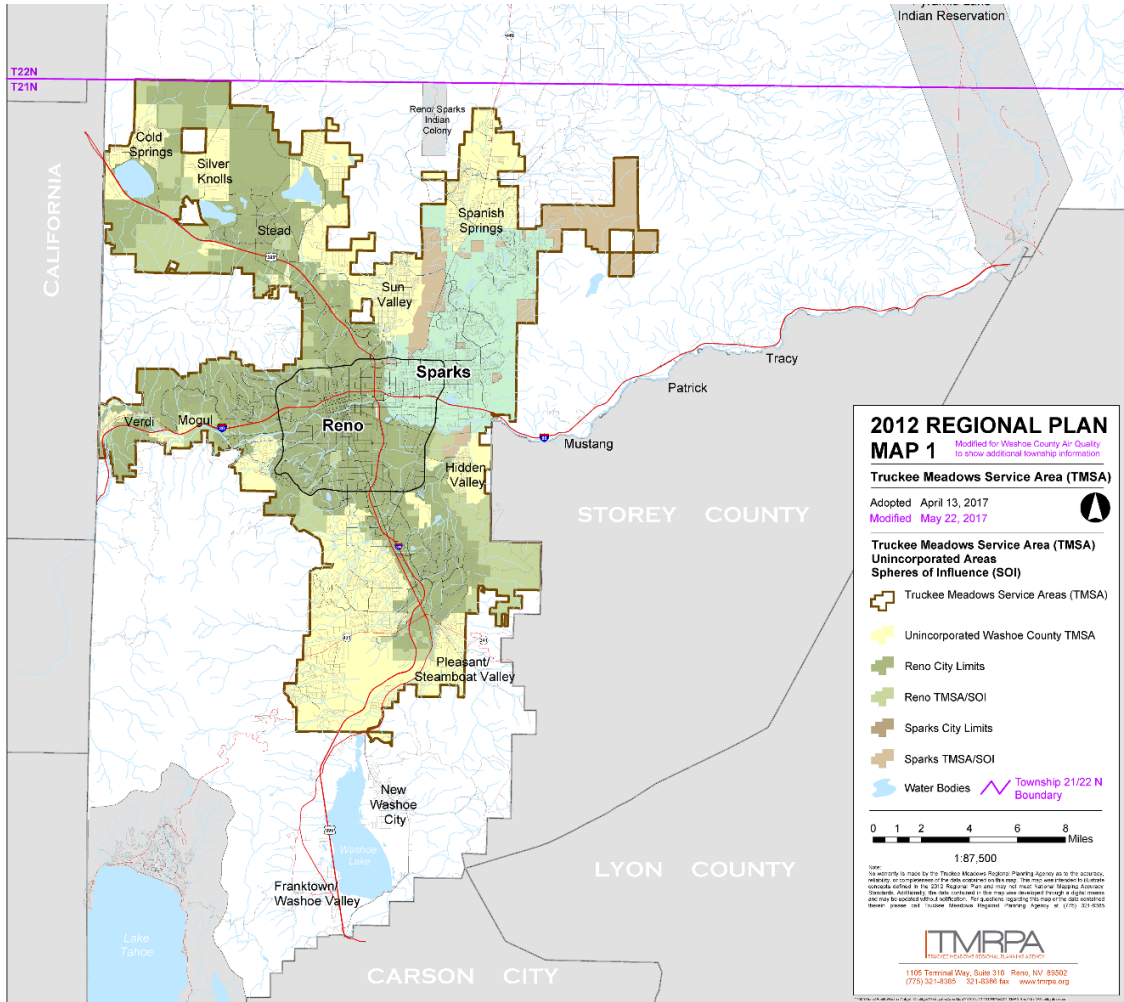
2. PROJECT LOCATION



In Clark County, yellow shows the priority areas which are located within hydrographic areas 212, 164A, and 165.

SCORING CRITERIA

2. PROJECT LOCATION



The priority area of Washoe County is the portion of the county South of Township 22 North (the pink line).

SCORING CRITERIA

2. PROJECT LOCATION



NDEP is also considering Carson City, Douglas County, and urban centers in the counties adjacent to Clark and Washoe to be priority areas. These areas will be eligible to receive points in the Project Location criterion.

SCORING CRITERIA

4. LIKELIHOOD OF FUTURE EMISSIONS REDUCTIONS

- Does the application demonstrate that additional future emissions reductions will occur from this project?
- Is this the beginning of a fleet-wide transition to an alternative fuel or electricity?
- Does the project require an investment in fueling/charging infrastructure that the fleet has already secured or is in the process of securing?

SCORING CRITERIA

5. PROJECT FEASIBILITY

- NDEP's expectations for a project's feasibility differ based on the dollar amount being requested.
- The NDEP will consider whether the applicant supplied a proposed schedule detailing the necessary steps for executing the project.
- The NDEP will also consider whether there was a description provided that includes details showing the necessary technical, managerial, procurement, and financial capabilities/experience of the applicant organization and its personnel to execute the project.

SCORING CRITERIA

6. SOCIETAL CO-BENEFITS

- The quality and extent to which the proposal demonstrates how the project will address the needs and concerns of affected communities, including any communities or populations that have faced or are facing environmental justice concerns.
- The likelihood that “sensitive” populations including, but not limited to, asthmatics, children, or the elderly are directly benefitted by the project.

WHERE TO FIND OUT MORE



Visit NDEP VW Settlement Webpage for updates

<http://ndep.nv.gov/air/vw-settlement>



E-mail at NevadaDEMF@ndep.nv.gov



Sign up for VW Settlement – Nevada Mitigation Fund listserv on NDEP Website



Sign up for one or multiple NDEP newsletters to stay up-to-date



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Nevada Brownfields Program

Air Quality Fund Notices



Questions?



Contact



Visit NDEP VW Settlement webpage for updates

<http://ndep.nv.gov/air/vw-settlement>



E-mail at

NevadaDEMF@ndep.nv.gov



Sign up for VW Settlement listserv on NDEP Website