



DEMF 2019

Competitive Application Webinar

Nevada Division of Environmental Protection
Bureau of Air Quality Planning

June 11, 2019

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NEVADA DIVISION OF
**ENVIRONMENTAL
PROTECTION**

ndep.nv.gov



Nevada Department of
**CONSERVATION &
NATURAL RESOURCES**

Webinar Agenda

- VW Settlement/State Trust Overview
- DEMF Awards to Date
- DEMF 2019 Competitive Application
 - General Information
 - Categories of Eligible Mitigation Actions
 - General Eligibility Requirements
 - 2019 Funding Levels
 - Scoring Criteria
- Q&A

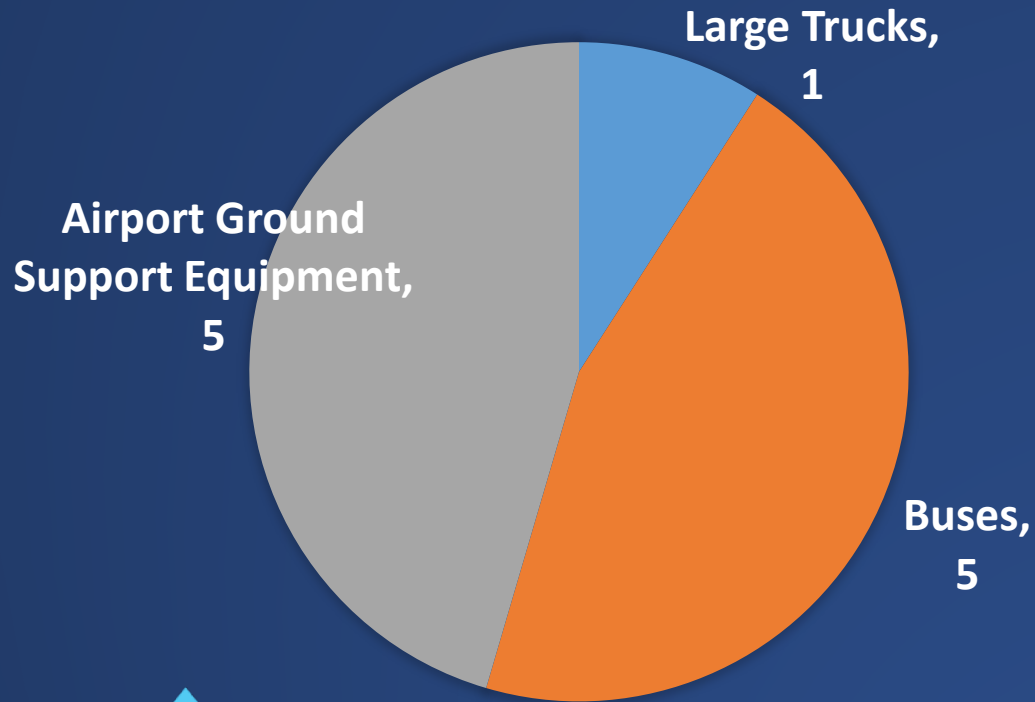


VW Settlement/State Trust Overview

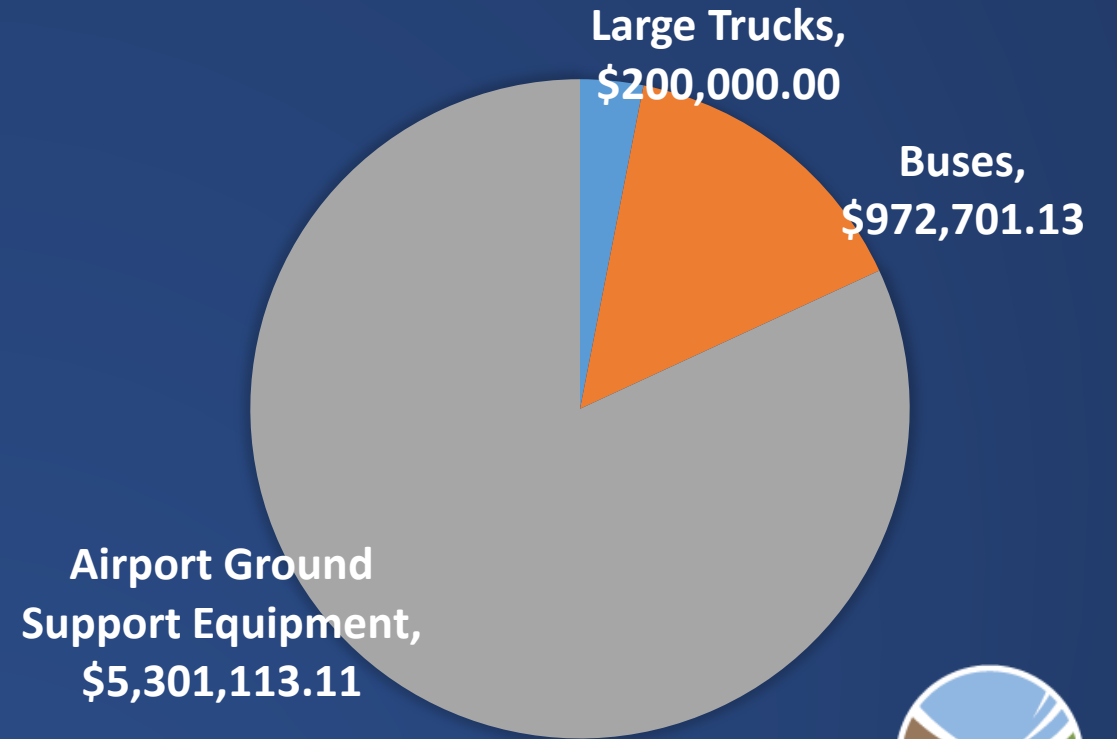
- Funding is the result of two Partial Settlements between the U.S., California, and Volkswagen (VW) that resulted in VW creating a \$2.925 billion Trust to offset their excess NOx emissions
- Nevada is receiving \$24.8M (roughly \$17M for the DEMF) from the State Trust
 - The DEMF is funded by the State Trust
- 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

PROJECTS FUNDED BY EMA CATEGORY

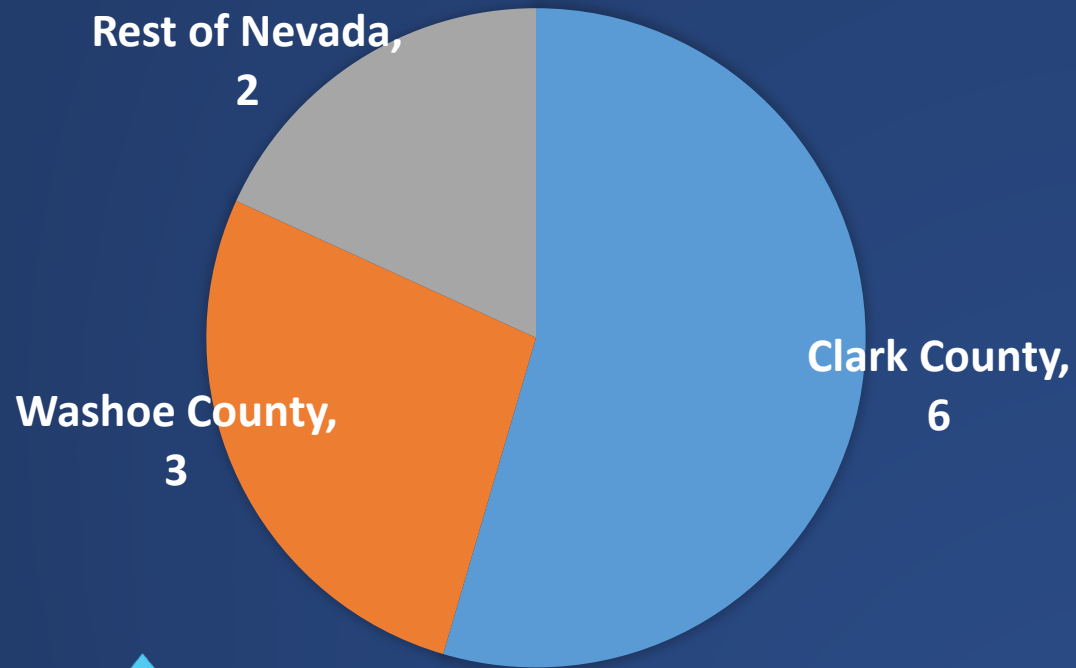


FUNDS AWARDED BY EMA CATEGORY

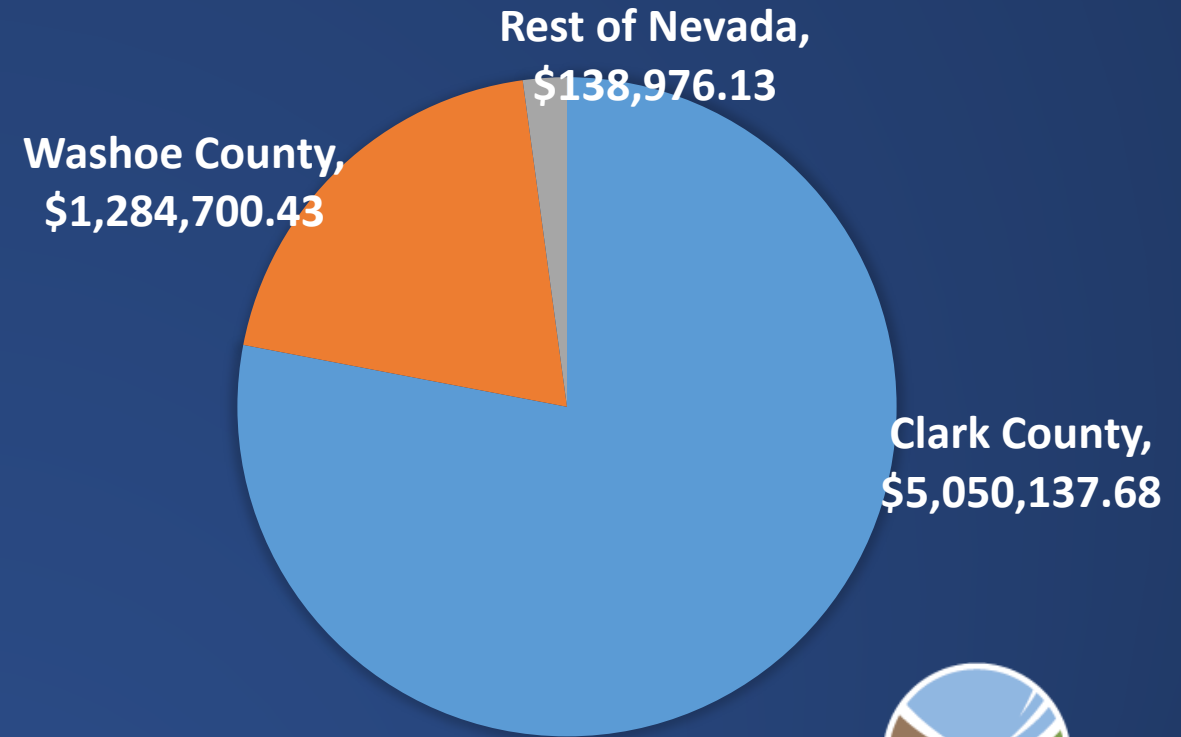


DEMF Awards to Date

PROJECTS FUNDED BY COUNTY



AMOUNT OF FUNDING BY COUNTY



Nevada Diesel Emission Mitigation Fund Annual Competitive Application Form

For the Volkswagen Environmental Mitigation Trust Agreement
for State Beneficiaries



Applications are due by July 31, 2019



Please electronically submit completed applications to Joe
Perreira at NevadaDEMF@ndep.nv.gov and use the subject line:
NV Diesel Emission Mitigation Fund 2019 Application



Important Information

- Currently available online at <https://ndep.nv.gov/air/vw-settlement>
- Completed applications for 2019 funding will be accepted from June 1 through July 31, 2019
 - Announcements of selected projects are expected to come in late September
- NDEP may request additional information from applicants, they will have 10 days to respond to any request
- This application is only for Eligible Mitigation Action Categories 1-8 and 10
 - Category 9 funds are being spent in partnership with the Governor's Office of Energy to support the Nevada Electric Highway
- 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 and equipment before the end of their useful life. There are instances where the DEMF cannot or will not fund a project, they are:
 - The replacement 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/before the project is selected for funding
 - All diesel-to-diesel vehicle/equipment replacement projects with a scheduled retirement date or fleet turnover policy that would require retirement within three years of July 31, 2019
 - 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 by the NDEP and the Subgrantee
- Applicants should review the portions of Appendix D-2 of the State Trust that apply to their funding request as well as Nevada's Beneficiary Mitigation Plan before completing their application
- The majority of categories of Eligible Mitigation Actions require the existing vehicle/piece of equipment to be rendered permanently inoperable and available for recycle



Scrappage Requirements

All replacement/repower projects require the existing equipment to be “scrapped” or permanently removed from service



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
10. Diesel Emission Reduction Act (DERA) Option

2019 Funding Levels

- Funding for selected projects depends on the Category of Eligible Mitigation Action, the fuel type, and whether or not it is a replacement or a repower project
- Funding levels for Categories 3, 4, 5, and 8 will be determined on a per project basis
 - If they are selected for funding, it is anticipated that they will follow the Non-Government percentages listed in Appendix D-2 of the State Trust
- For Categories 1, 2, and 6, replacement projects selected for funding will be eligible to receive, on a per vehicle basis, the dollar amount or the percent incentive cap, whichever is less

2019 Funding Levels

- Applicants are expected to use the funding levels provided
- If a level of funding above the amounts listed is needed, a detailed justification is required
 - Cannot be above the funding limits listed in Appendix D-2 of the State Trust
- Even if an applicant requests funds above the amounts listed, there is no guarantee that the award will match that amount



2019 Funding Levels

Category 1 – Class 8 Eligible Large Trucks

Project Type		Diesel	Alternative Fuel	All-Electric
Replacement	Government	\$ 35,000	\$ 45,000	\$ 55,000
		25%	35%	35%
	Non-Government	\$ 35,000	\$ 45,000	\$ 55,000
		25%	25%	35%
Repower		30%	40%	50%

Category 6 – Class 4-7 Eligible Medium Trucks

Project Type		Diesel	Alternative Fuel	All-Electric
Replacement	Government	\$ 35,000	\$ 40,000	\$ 45,000
		25%	35%	35%
	Non-Government	\$ 35,000	\$ 40,000	\$ 45,000
		25%	25%	35%
Repower		30%	40%	50%

2019 Funding Levels

Category 2 – Eligible Buses

Project Type		Diesel	Alternative Fuel	All-Electric	
Replacement	School Bus	\$ 35,000	\$ 60,000	\$ 60,000	
		30%	35%	40%	
	Government	Shuttle Bus	\$ 35,000	\$ 60,000	\$ 60,000
			30%	35%	40%
		Transit Bus	\$ 40,000	\$ 70,000	\$ 80,000
			30%	35%	40%
	Non-Government	Shuttle Bus	\$ 35,000	\$ 60,000	\$ 60,000
			25%	25%	40%
		Transit Bus	\$ 40,000	\$ 70,000	\$ 80,000
			25%	25%	40%
Repower		30%	40%	50%	

2019 Funding Levels

Category 2 – Eligible Buses

- NDEP also has a special funding category for 1997 and older engine model year school buses that are regularly operated in the state. If selected, these vehicles will be eligible to receive up to \$120,000 or 75%, whichever is less



2019 Funding Levels

Category 7 – Airport Ground Support Equipment

- Airport ground support equipment replacement or repower projects will be eligible to receive 60% of the cost to replace or repower their existing equipment with an all-electric replacement or all-electric engine

Category 10 – the DERA Option

- Funding levels based on the percentages in the State Clean Diesel Program Information Guide
- Only those eligible diesel emission reduction solutions that are not also listed in the State Trust will be eligible for Category 10 funding



Scoring Criteria

- Points are assigned to 6 criteria (100 points possible)
 1. NOx Emission Reductions and Cost-Effectiveness (25 points)
 2. Project Location (20 points)
 3. Environmental Co-Benefits (15 points)
 4. Likelihood of Additional, Future, Emissions Reductions (15 points)
 5. Project Feasibility (15 points)
 6. Societal Co-benefits (10 points)

Scoring Criteria

1. NOx Emission Reductions and Cost-Effectiveness (25 points) and 3. Environmental Co-Benefits (15 points)

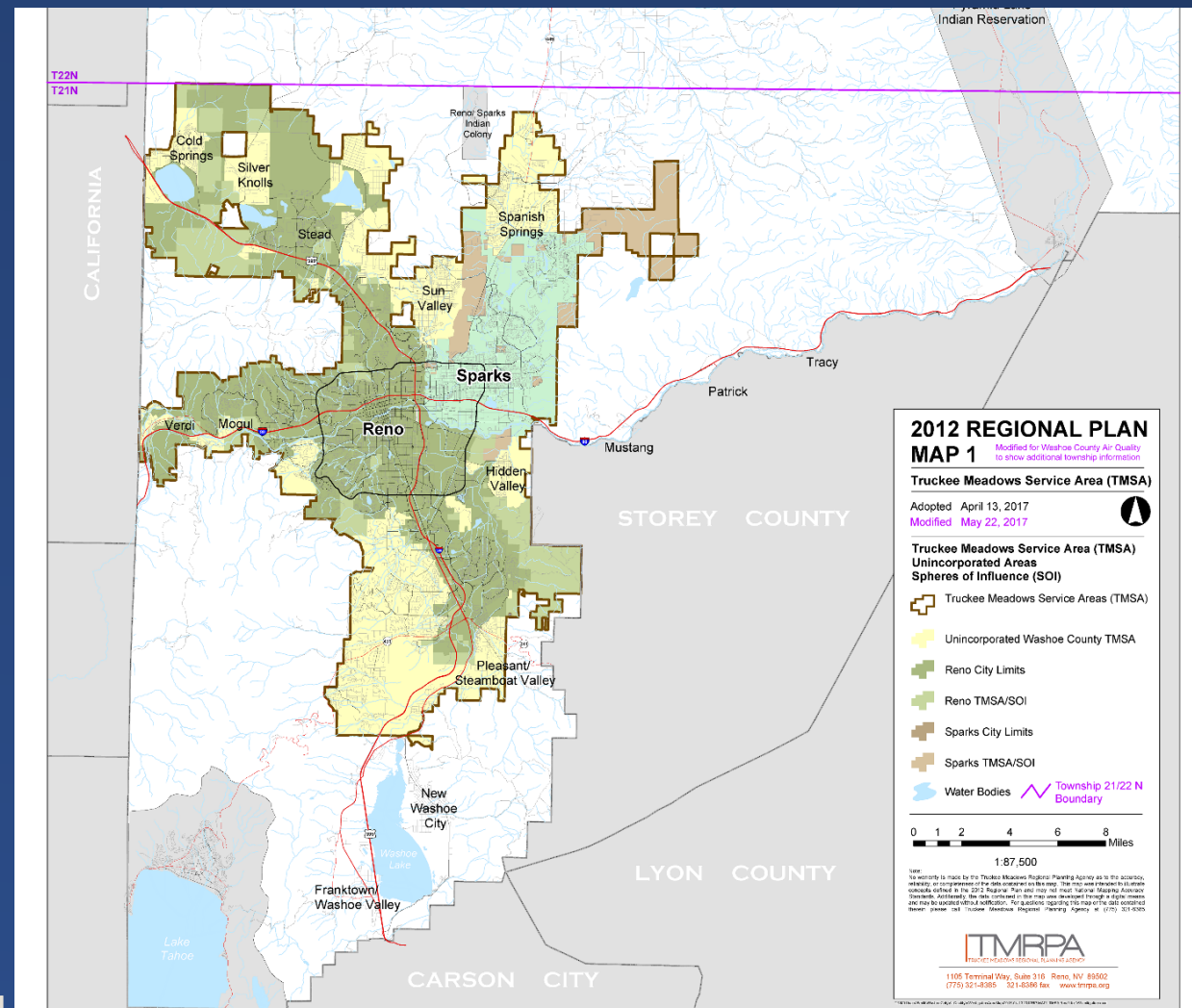
- NDEP will quantify project emissions reductions using the data that applicants provide
- Categories 1, 2, and 6 will be quantified using the Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) Tool
- The remaining Categories of Eligible Mitigation Actions will be quantified using the Diesel Emission Quantifier (DEQ)
- If you are having trouble gathering all of 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 (20 points)

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



Scoring Criteria

2. Project Location (20 points)

The NDEP is also considering Carson City, Douglas County, and urban centers in the counties adjacent to Clark and Washoe counties to be priority areas that will be eligible to receive points in this criterion



Scoring Criteria

4. Likelihood of Future Emissions Reductions (15 points)

- 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 (15 points)

- 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 by the applicant that included the details showing the necessary technical, managerial, procurement, and financial capabilities and experience of the applicant organization and its personnel to execute on the project

Scoring Criteria

6. Societal Co-benefits (10 points)

- The quality and extent to which the proposal demonstrates how the proposed 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 that are directly benefitted by the project

Important Information

Questions?

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