




REGIONAL AIR QUALITY COUNCIL

ALT Fuels Colorado Vehicle Incentive Program

Steve McCannon
ALT Fuels Colorado Kick-Off Workshop
July 31, 2014



Fleet Exercise

- We have provided a fleet exercise at everyone's seat
- We are asking for some general information on your alternative fuel vehicles (AFV) plans
- This information will help us plan for the future
- We would greatly appreciate you fill this out

RAQC

- RAQC is the lead air quality planning agency for Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, Larimer and Weld Counties created by an Executive Order of the Governor
- Been in existence since 1989
- Primary responsibility is creating State Implementation Plans – Ozone is our biggest issue right now
- My Mobile Sources Team develops grant programs designed to reduce vehicle emissions

ALT Fuels Colorado (AFC) Vehicle Program

- CEO/RAQC/CDOT/DOLA/FHWA/Noble Energy partnership on a \$52M project.
 - \$15M from CEO is dedicated to infrastructure
 - \$15M from RAQC is dedicated to vehicles.
 - DOLA has \$10M for infrastructure and \$10M for vehicles
 - Noble Energy has \$2M for matching funds in the RAQC vehicle program area
- Eligible Counties for RAQC Vehicle Program: Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson, and parts of Larimer, Weld, El Paso and Teller Counties

AFC Vehicle Program – Cont.

- RAQC has \$2.8M year one vehicle funding
 - Compressed natural gas (CNG), CNG bi-fuel, electric and propane vehicles are eligible
- Eligible applicants include public, non-profit and private Front Range fleets that operate light, medium and heavy-duty vehicles. Fleets must be:
 - Domiciled in or near the Colorado ozone non-attainment and/or carbon monoxide maintenance areas and predominately operate in the ozone non-attainment and/or carbon monoxide maintenance areas.
 - Predominant use is defined as 60% of vehicle miles taking place in the program area

Goals

- Incentivize the purchase of 1,000 light, medium and heavy-duty AFVs over 4 years for public, non-profit and private fleets
- Reduce air pollutants in program area
- Focus on retiring pre-2010 diesel and gas vehicles
- Increase the use of AFVs to support CEO and DOLA infrastructure
- Increase demand for OEM AFVs
- Expand the use of domestic energy sources
- Gather data and promote fleet sustainability

Incentives

- \$9M for public/non-profit fleets and \$5.5 for private fleets over 4 years
- RAQC can cover up to 80% of the incremental AFV (classes 2-8) cost up to the caps below
 - Private fleets could be eligible for state income tax credits

	Public and Non-profit Fleets	Private Fleets
Light-duty AFV (6,001-10,000 lbs.)	\$7,000	\$3,000
Medium-duty AFV (10,001-26,000 lbs.)	\$25,000	\$15,000
Heavy-duty AFV (26,001 + lbs.)	\$35,000	\$22,000

Application Process

- Application will be posted at www.cleanairfleets.org
- Fleets must register with the Systems for Award Management at <https://www.sam.gov/portal/SAM/#1>
- Fleets must get a DUNS number at <http://fedgov.dnb.com/webform/displayHomePage.do;jsessionid=81407B1F03F2BDB123DD47D19158B75F>

Application Process – cont.

- Application is straightforward and we have a guide you should read first
 - This is a test and we would like answers to all of our questions
- Fleet must get two bids for all vehicle types they are requesting funding for and a bid for the comparable conventionally fueled vehicle
- Incremental costs between AFVs and the conventionally fueled unit must be clear
- These must be submitted to RAQC with the application

Application Process – cont.

- Evaluation Team will evaluate the applications based on your request and the answers to our questions
- Fleets will be notified of awards
 - We do reserve the right to approve a tentative award if we need more information from the applicant
- We will probably have an awardee meeting to cover requirements
- RAQC will then issue a purchase order which is your notice to proceed
 - Do not proceed without the purchase order

Grant Requirements

- RAQC is required to adhere to Buy America provisions and must receive clearance prior to approving purchases
 - Vehicles must be assembled in the USA
- RAQC will require simple annual reporting from fleets
- Fleets must agree to operate the vehicles for a minimum of 5 years. If a vehicle is sold within 5 years, the fleet must pay a pro-rated portion of the vehicle cost back to the RAQC
- Clear invoicing
- Agree to vehicle inspection at RAQC request

Purchasing Options

- Full vehicle purchase
- Leasing options:
 - Private lease with balloon (TRAC lease)
 - Public lease with balloon
 - Public lease without balloon
- All leases require an addendum in the leasing papers that RAQC be notified of vehicle sale, destruction or modification of terms
 - RAQC will pay one payment at the beginning of the lease and not monthly payments
- Any vehicle sold prior to 5 years will owe RAQC a pro-rated portion of the grant

Ineligible Projects and Costs

- No retroactive vehicle payments for vehicles purchased prior to RAQC Notice to Proceed
- No class 1 vehicle purchases (6,000 lbs. and less)
- No conversion kits
- No engine repowers
- No federal, state or local taxes
- No transit projects in year 1

Transit Vehicle Eligibility

- In year 1, we have been asked to evaluate demand for transit vehicles and then work with FHWA and FTA if there is demand
- Creates complexity
- Must flex funding to FTA and meet their Buy America waiver
- FTA indicates they don't issue many waivers

Project Timeline

Action Item	Date
Application period opens	August 7, 2014
Deadline for questions	September 8, 2014
Applications due	September 12, 2014
Awards announced	October 2014
Begin purchasing vehicle (if Buy America waiver is approved)	Early 2015

- Only written questions will be accepted during the application period to RAQC contact
- RAQC will post all Q&A to our website

Charge Ahead Colorado

- RAQC has received funding for Electric Vehicle/Electric Vehicle Supply Equipment (EVSE) projects for the Denver metro area
- CEO has funding for EVSE outside the Denver metro area
- \$6,260 for charging stations and \$8,260 for electric vehicles
- RAQC eligible electric vehicle (BEV/PHEV) applicants are those organizations not eligible for the state tax credit and prioritized as local governments, state/federal agencies, non-profit educational institutions/other non-profits.
- Only electric highway eligible vehicles (no golf carts, scooters).
- Funding is for Level II and Level III/DC fast charging infrastructure
- The application is at www.cleanairfleets.org and due August 12, 2014

Diesel Retrofit Equipment

- EPA SmartWay Retrofit Equipment:
 - APUs
 - Thermal coolers
 - Aerodynamic side skirts and tail fairings
 - Engine, cab and hydraulic engine preheat systems fuel operated heaters (FOH)
 - Diesel oxidation catalysts (DOCs)
- We also have funding for GPS/telematics equipment
 - Fleets must set an idle reduction goal and policy to be eligible for funding
- Two contractors – Stewart and Stevenson and Rush Truck Centers for most equipment

Summary

- Read our application guide before trying to fill out the application
 - You need to register with SAM and have a DUNS number
- Do not move forward with purchases until RAQC says 'go'
- Our 'go' will likely be at the start of 2015
- Retroactive projects will not be funded

Contacts

- Please let us know if you'd like to be added to our contact lists
- RAQC
 - Website is www.cleanairfleets.org
 - Phone number (303) 629-5450
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