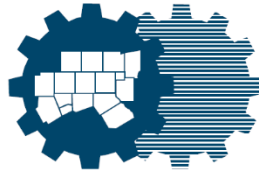


NORTH TEXAS ZERO EMISSIONS VEHICLES PROJECT CALL FOR PROJECTS

APPLICATION GUIDELINES

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**North Central Texas
Council of Governments**

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INTRODUCTION

Through the North Texas Zero Emissions Vehicle (NTxZEV) Call for Projects (CFP), the North Central Texas Council of Governments (NCTCOG) is offering up to \$58.6 million in rebate funding for the replacement of existing internal combustion engines (ICE) Class 6 and 7 vehicles with zero-emission vehicles (ZEV). Projects may include either battery-electric and/or hydrogen fuel cell electric vehicles, as well as installation of supporting fueling or charging infrastructure as needed. NCTCOG has opened this CFP to select vehicle replacement activities and program beneficiaries through an open, competitive process. The purpose of this CFP is to fund projects that reduce ozone-forming pollution in the NCTCOG region, supporting local efforts to improve air quality and attain federal standards. This funding is made available through an award from the Environmental Protection Agency's (EPA) Clean Heavy-Duty Vehicles Vocational Vehicles Sub-Program.

NCTCOG is a voluntary association of, by and for local governments, established to assist in regional planning across North Central Texas. NCTCOG's purpose is to strengthen both the individual and collective power of local governments and to help recognize regional opportunities, eliminate unnecessary duplication, and make joint decisions. The full 16-county planning area is detailed in **Exhibit 2**. NCTCOG serves as the federally designated Metropolitan Planning Organization (MPO) responsible for transportation planning for 12 counties within the NCTCOG boundary.

Ten counties in the North Central Texas region are currently designated as nonattainment for the pollutant ozone. This means ground-level ozone pollution levels in these counties are higher than the level that EPA has identified as safe for human and environmental health. Ozone is formed when nitrogen oxides (NO_x) and volatile organic compounds (VOCs), which are also known as ozone precursors, mix in the presence of sunlight and heat. High levels of ground-level ozone can negatively impact both human and environmental health. It can also cost the region economically, as funding to build new roadways could be placed at risk, and businesses may face more strict regulations (e.g., requirements to install emission control devices).

Because of the region's ozone nonattainment challenges, NCTCOG's responsibilities as the MPO include air quality planning along with transportation planning. The agency implements a variety of programs to reduce ozone-forming NO_x and VOC emissions from on-road mobile sources (e.g. cars and trucks). Reducing emissions from medium- and heavy-duty vehicles is especially important, as these vehicles contribute approximately 73 percent of NO_x and approximately 10 percent of VOC emissions in the DFW nonattainment area. For additional information, visit www.nctcog.org/airquality.

NCTCOG also serves as the host agency for the Department of Energy (DOE)-designated Dallas-Fort Worth Clean Cities Coalition (DFWCC) and was one of the first regions to be designated as part of the DOE Clean Cities and Communities partnership in 1995. DFWCC works to reduce transportation energy use and improve air quality by providing guidance to fleets and other drivers about clean vehicle fuels/technologies, coordinating infrastructure planning and readiness, and facilitating best practices around transportation-energy integration.

The purpose of this document is to detail program requirements, including the schedule and eligibility, for the NTxZEV CFP. Potential applicants should consider all requirements carefully when submitting a grant application. NCTCOG reserves the right to withhold rebate payment or

request return of funds from awarded applicants if requirements are not met and/or not sufficiently documented.

CONTACT INFORMATION

Please submit any questions or comments about this funding initiative to:

Email: cleancities@nctcog.org

Website: www.nctcog.org/NTxZEV

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SCHEDULE

Applications for rebate funding will be evaluated and awarded on a competitive basis. At the outset of the program, NCTCOG will separate funding equally between battery-electric and hydrogen fuel cell electric vehicle replacement activities to ensure availability of funding for both fuel types.

The first application deadline, also known as “**Round 1**”, will be on Friday, February 13, 2026, at 5 pm CT. All applications must be received “in-hand” by this deadline to be considered “**Round 1**” applications and will be evaluated competitively within their respective fuel type. This means rebate applications for battery-electric vehicle replacements will only be evaluated against other battery-electric vehicle replacements. Each vehicle replacement will be evaluated individually.

If funds remain after the Round 1 deadline, NCTCOG will continue to accept applications through rolling application deadlines in approximately 90-day increments until all funds are fully awarded. Applications received after the Round 1 deadline will be designated as “**Round 2**,” “**Round 3**,” and so on. Each round will be evaluated competitively solely against applications submitted within the same round. See the “Application Process” section for more details about selection criteria. The 50/50 funding allocation will be re-evaluated after the Round 1 deadline. NCTCOG reserves the right to reallocate funds between the two fuel types based on demand.

Entities interested in applying for the NTxZEV CFP are strongly encouraged to apply for Round 1 of the NTxZEV CFP, as there is no guarantee that funds will be after that date. Additionally, all projects must be completed by ~~Wednesday~~ Friday, December 31, 2027, regardless of when the application was submitted. In addition, no reimbursable project activities may begin prior to the date that the applicant receives an execute rebate award agreement from NCTCOG. Therefore, applications should be submitted as early as possible to maximize the time available for project implementation.

The following table illustrates the expected schedule for the Call for Projects, project selection and approval, and implementation.

Exhibit 1: Expected Call for Projects Schedule

Milestone	Approximate Date
Call for Projects Opens	Friday, October 24, 2025
Call for Projects Workshop	Thursday, November 6, 2025; 1:00pm to 3:00pm CT Tuesday, December 2, 2025; 1:00pm to 3:00pm CT Hybrid Meeting; Virtually via Zoom or in-person at the NCTCOG Office. Register at www.nctcog.org/NTxZEV
Round 1 Application Deadline	Received “in-hand” by 5 pm CT on Friday, February 13, 2026 <i>(16 Weeks from CFP opening)</i>
Subsequent Application Deadlines <i>(If Funds Remain, and Until All Funds Are Awarded)</i>	Round 2: Received “in-hand” by 5pm CT on Friday, May 15, 2026 Round 3: Received “in-hand” by 5pm CT on Friday, August 14, 2026 Ongoing as needed
Staff Award Recommendations Finalized and Made Public with NCTCOG Surface Transportation Technical Committee Agenda Posting	Round 1: Friday, March 20, 2026 Round 2 <i>(if applicable)</i> : Friday, June 19, 2026 Round 3 <i>(if applicable)</i> : Friday, September 18, 2026 Ongoing as needed
NCTCOG Surface Transportation Technical Committee Recommendation of Awards	Round 1: Friday, March 27, 2026 Round 2 <i>(if applicable)</i> : Friday, June 26, 2026 Round 3 <i>(if applicable)</i> : Friday, September 25, 2026 Ongoing as needed
NCTCOG Regional Transportation Council Approval of Awards	Round 1: Thursday, April 9, 2026 Round 2 <i>(if applicable)</i> : Thursday, July 9, 2026 Round 3 <i>(if applicable)</i> : Thursday, October 8, 2026 Ongoing as needed
NCTCOG Executive Board Authorization of Awards	Round 1: Thursday, April 23, 2026 Round 2 <i>(if applicable)</i> : Thursday, July 23, 2026 Round 3 <i>(if applicable)</i> : Thursday, October 22, 2026 Ongoing as needed
Transmit Agreements for Execution	As Soon as Practicable Upon Executive Board Authorization
Start Project Execution	Once Agreement is Executed
Submit Preliminary Reimbursement Request to NCTCOG	By Friday, October 29, 2027
Project Completion/Deadline to Submit Final Reimbursement Request	By Friday, December 31, 2027

ELIGIBLE APPLICANTS

Eligible program beneficiaries include both public and private sector fleets. All applicants must complete two key requirements by the application deadline:

Clean Fleet Policy

Applicants must adopt a policy consistent with the Regional Transportation Council (RTC) Clean Fleet Policy (RTC Resolution R14-10). This policy must be adopted prior to the application deadline for the Round an applicant is applying to. Thus, for Round 1, policy adoption must be completed by Friday, February 13, 2025, at 5:00pm CT. To be consistent with the Clean Fleet Policy, an applicant's policy should include goals or elements which meet the following objectives:

- Reduce emissions from fleet activities;
- Reduce fuel consumption among fleet vehicles and equipment;
- Support partnership with the NCTCOG and DFW Clean Cities Coalition; and
- Educate fleet personnel on air quality and fuel consumption efforts.

As outlined in Section 1.1 of the R14-10 Clean Fleet Policy Resolution, entities must also implement an idle-reduction policy/standard operating procedure (SOP) with the submittal of the Clean Fleet Policy and annual reporting to be eligible for clean fleet funding from the RTC. Information including a template policy, guidance documents, and details on what these four objectives entail, can be found at www.nctcog.org/fleetpolicy.

Private companies may have corporate sustainability plans or other similar policies that meet the intent of the RTC Clean Fleet Policy. Potential applicants are encouraged to submit these documents to NCTCOG staff as early as possible to get confirmation of whether the existing plans or policies meet this requirement.

Risk Assessment

In addition, all program beneficiaries must submit an online risk assessment questionnaire and provide financial statements for review. NCTCOG will conduct a risk assessment of all anticipated program beneficiaries prior to final selection. This assessment includes:

- Financial/organizational capacity
- History of performance for federal funds
- ~~Experience in carrying out a federally compliant procurements, and the proposed procurement approach for this project~~
- Results of previous audits
- Past performance on NCTCOG-related grants

NCTCOG is not obligated to fund a proposal from an applicant that has demonstrated marginal or unsatisfactory performance on previous grants or contracts with NCTCOG and/or other state or federal agencies.

NCTCOG is not obligated to fund a proposal from an applicant based on a determination of the risks, including the financial condition of the applicant and other risk factors as may be determined by NCTCOG.

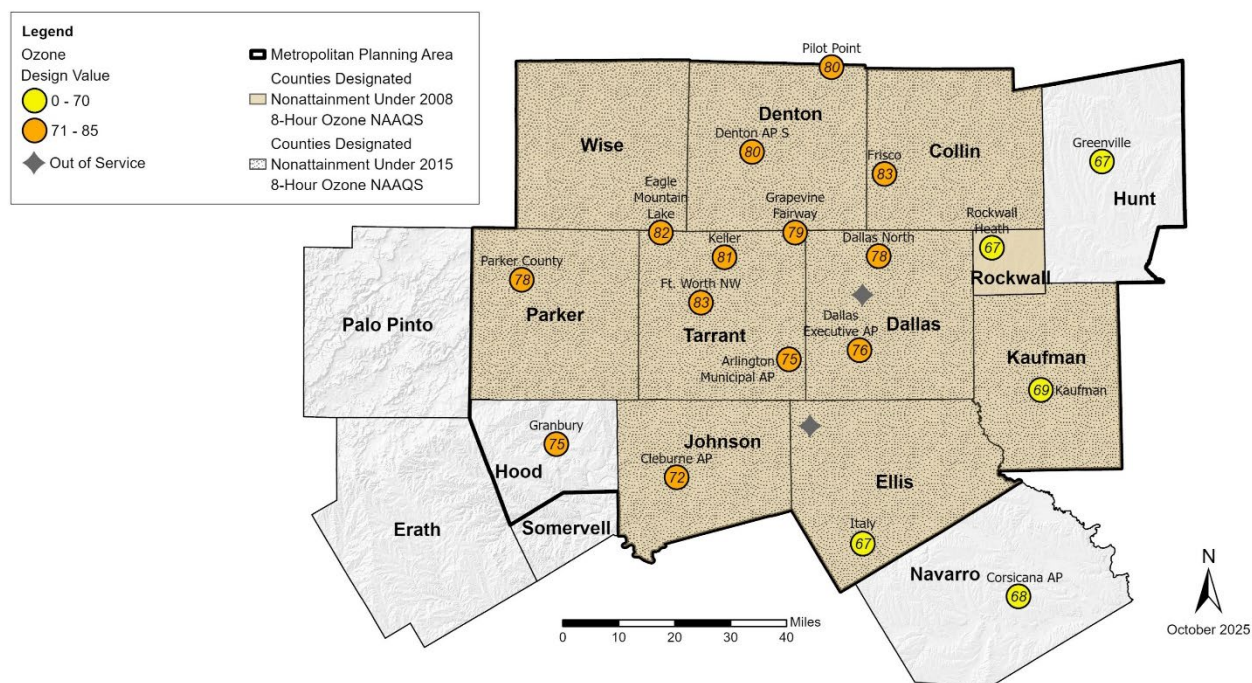
ELIGIBLE PROJECT AREA

Because this project is focused on improving the region's air quality, NCTCOG is seeking projects that address three priority areas:

- The 10-County ozone nonattainment area
- The 16-County NCTCOG planning area
- The area bounded by "Texas Triangle" interstates

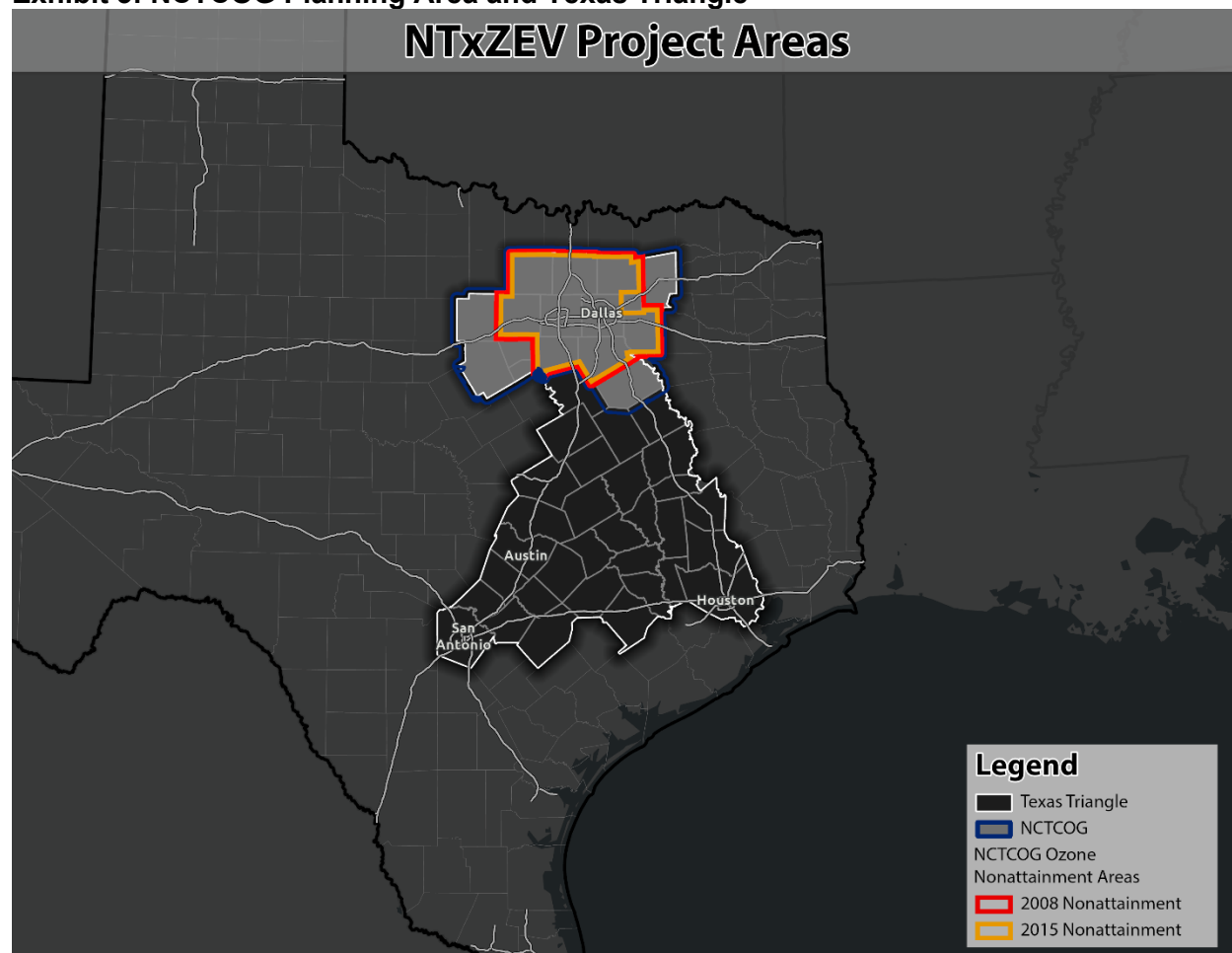
NCTCOG acknowledges that many eligible vehicles may not stay confined to the NCTCOG region, but may travel in and out of the NCTCOG planning area. To be eligible for replacement, vehicles eligible must operate **primarily within, or frequently travel through**, the 16-county (Collin, Dallas, Denton, Ellis, Erath, Hood, Hunt, Johnson, Kaufman, Navarro, Palo Pinto, Parker, Rockwall, Somervell, Tarrant, and Wise) NCTCOG region as illustrated in **Exhibit 2**. Additionally, any electric vehicle or hydrogen refueling infrastructure funded through the NTxZEV Project must be located within the NCTCOG 16-county region.

Exhibit 2: NCTCOG Planning Area and Nonattainment Boundaries



NCTCOG understands that freight vehicles often travel routes that connect the NCTCOG region to neighboring metropolitan areas. In addition, vehicles operating upwind of the ozone nonattainment area also have the potential to impact the region's air quality even if they do not operate within the NCTCOG area. Thus, NCTCOG may award funds to vehicles that demonstrate a substantial portion of operation in the area bounded by the Interstates that comprise the Texas Triangle. These are Interstate 45 from Dallas to Houston, Interstate 10 from Houston to San Antonio, and Interstate 35 from San Antonio to Denton. Vehicles operating along these highways and/or the areas in the counties contained within these interstate boundaries may be eligible for replacement. This area is illustrated in **Exhibit 3**.

Exhibit 3: NCTCOG Planning Area and Texas Triangle



ELIGIBLE ACTIVITIES

Eligible activities under this CFP include, (1) the replacement of eligible existing ICE Class 6 and Class 7 vehicles with eligible ZEV, (2) Purchasing and installing infrastructure needed to charge, fuel, or maintain new ZEV acquired through this CFP, as described below.

Eligible Existing Vehicles to be Replaced

The NTxZEV CFP requires an Existing Vehicle to be Replaced (i.e. old vehicle already operating) to be disposed of for program beneficiaries to receive funding for a new ZEV. Eligibility requirements for the Existing Vehicle to be Replaced are below.

Eligible Vehicle Types for Existing Vehicle to be Replaced

To be eligible for NTxZEV CFP funding, existing vehicles to be replaced must meet the following requirements:

- Be a Class 6 or 7 heavy-duty vehicle, as defined in **Appendix A**.
- Be a vocational vehicle, as defined in **Appendix A**.

- Be a diesel vehicle with an Engine Model Year (EMY) of 2010 or older, unless
 - the applicant does not own a diesel vehicle with an EMY of 2010 or older. In this case the applicant can submit:
 - any fuel type ICE vehicle (i.e., utilizes diesel, gasoline, natural gas, or propane fuel) of any EMY, OR
 - may submit a vehicle currently owned by a different fleet that is willing to provide it to be scrapped; if awarded, the applicant should take ownership of the vehicle prior to project implementation.
- Must be retired from the applicant's fleet according to the allowable Disposition Options outlined in **Exhibit 4**.

Exhibit 4: Allowable Disposition Options

Existing Vehicle to be Replaced	Potential Disposition Options and Required Documentation		
	Scrap Requires Eligibility and Scrappage Form	Sell or Donate Requires Eligibility and Scrappage Form	Move to Reduced Service Requires Pre-Approval of Disposition Plan AND Eligibility and Scrappage Form
EMY of 2010 or Older	Allowed <i>Note: Scrappage of diesel vehicles with an EMY of 2010 and older will score the highest, see Scoring Criteria Section</i>	Not Allowed	Not Allowed
EMY of 2011 or Newer	Allowed but Discouraged <i>NCTCOG encourages vehicles with EMY of 2011 and newer vehicles to be sold or donated as they reduce emissions relative to vehicles with EMY of 2010 or older</i>	Allowed <i>Note: Will Score Higher if They Can Demonstrate Emissions Reductions to the NCTCOG Region (see Scoring Criteria Section)</i>	Allowed Only for Transit Agencies if Required to Maintain Adequate Spare Ratios per FTA Requirements

Operational Requirements for Existing Vehicle to be Replaced

To be eligible for NTxZEV CFP funding, applicants must provide documentation that the Existing Vehicle to be Replaced meets the following usage requirements: **Documentation should demonstrate that the Existing Vehicle to be Replaced operates in location(s) identified in the application.**

- Operates primarily within or frequently travels through the 16-county NCTCOG region.
- Has accumulated at least 7,000 miles/year during each of the two years prior to replacement. *The mileage of two or more vehicles may be combined to reach 7,000 miles/year where two or more vehicles will be replaced with a single new ZEV.*
 - **OR**, has accumulated at least 500 hours/year during each of the two years prior to replacement, if the applicant can demonstrate that the vehicle idles the main engine

- for to provide power for auxiliary apparatus (e.g., firetrucks or utility trucks). *The idling hours of two or more vehicles may be combined to reach 500 hours/year where two or more vehicles will be replaced with a single ZEV.*
- The mileage usage requirement (7,000 miles/year) and the idling usage requirement (500 hours/year) cannot be combined to meet eligibility requirements for a single new ZEV.
 - Examples of documentation is available in **Appendix A.**
 - Be fully operational at time of application submission and remain operational until the new vehicle has been received and the program beneficiary has been notified by NCTCOG to dispose of the existing vehicle to be replaced. The existing vehicle should be able to start, move, and have all necessary parts operational.

Eligible New Vehicles to be Purchased

Eligibility requirements for the new vehicles are below.

Eligible Vehicle Types for the New Vehicle

All New Vehicles must meet the following requirements:

- Be owned by the applicant entity selected to receive funding
- Be similar in form and function to the existing vehicle to be replaced (*e.g., if the eligible vehicle to be replaced is a refuse truck, then the new eligible vehicle needs to be a refuse truck as well*).
- Be a Class 6 or 7 heavy-duty vehicle, as defined in **Appendix A.**
- Be a vocational vehicle, as defined in **Appendix A.**
- Be a ZEV powered by either a battery electric or hydrogen fuel cell electric system.
 - Vehicles which have been converted to a zero-emission drivetrain *after* the first retail sale are not eligible for funding. Conversions which occur *prior* to the first retail sale are eligible.
 - Hybrid vehicles are not eligible to be purchased with funding.
- Not be manufactured or retrofitted with, or have installed, a power unit or other technology that causes air pollution within the vehicle.
- Be Model Year 2023 or newer.
- Be certified to conform with applicable federal regulations, including
 - All applicable Federal Motor Vehicle Safety Standards (FMVSS)¹.
 - Prior to entering commerce vehicles must receive an EPA certificate of conformity and/or a California Air Resources Board (CARB) Executive Order to applicable emissions standards.²

Operational Requirements for the New Vehicle

All New Vehicles must meet the following operational requirements:

- Operate primarily within or frequently travel through the NCTCOG 16-county region (**same or similar to old vehicle**)
- Be maintained, operated, insured, registered, and charged/fueled according to manufacturer recommendations and state requirements.

¹ 49 CFR Part 571

² [Overview of Certification and Compliance for Vehicles and Engines | US EPA](#)

Purchasing Requirements for the New Vehicle

If selected for funding, program beneficiaries must ensure New Vehicles purchased meet the following requirements to be eligible for reimbursement:

- Be ordered only after signing agreement with NCTCOG.
- Be purchased; cannot be leased or leased-to-own.
- Not be fully or partially purchased or subsidized with **any public financial assistance** (i.e federal financing assistance, state funding (including Texas Emissions Reduction Plan (TERP) or Texas Volkswagen Environmental Mitigation Project (TxVEMP) funding)
- Comply with Build America, Buy America (BABA) requirements.

Eligible Infrastructure

Applicants may only request funding for eligible infrastructure and installations if funds remain within the Funding Cap (Vehicle + Infrastructure) *after* funding all eligible vehicles costs, as detailed in **Section Funding Levels and Eligible Costs**.

Eligible infrastructure can include Electric Vehicle Supply Equipment (EVSE) (includes alternating current (AC) Level 2 charging equipment, direct-current (DC) fast charging equipment,) OR hydrogen refueling infrastructure that support a New Vehicle acquired through the NTxZEV CFP.

Distributed energy resources (i.e. Battery energy storage systems (BESS) and solar- or wind-powered on-site power generation systems that power the vehicles) are also eligible if supporting EVSE funded through the NTxZEV CFP. Eligible infrastructure costs will be detailed in **Section Funding Levels and Eligible Costs**.

Requirements for all Infrastructure funded through NTxZEV CFP

If an applicant has funding remaining after funding all eligible vehicle costs, then infrastructure will be required to meet the following requirements:

- Located within the NCTCOG 16 county region
- Be installed with the purpose of supporting a ZEV acquired through this CFP.
- Be installed on land where the applicant has authority to install and operate the infrastructure, meaning either:
 - The land is owned by the applicant, OR
 - The applicant has a long-term lease that extends beyond the minimum 5 years of expected project operation. If an applicant is not the landowner, additional documentation will be required as part of the application to demonstrate that the landowner supports/concurs with project implementation and operation for the minimum required 5 years, such as a ~~letter~~ **Letter of Commitment** signed by the property owner.
- Comply with BABA requirements, unless a waiver can be obtained, as detailed in **Section Project Requirements** of this CFP.

Additional Requirements for EVSE

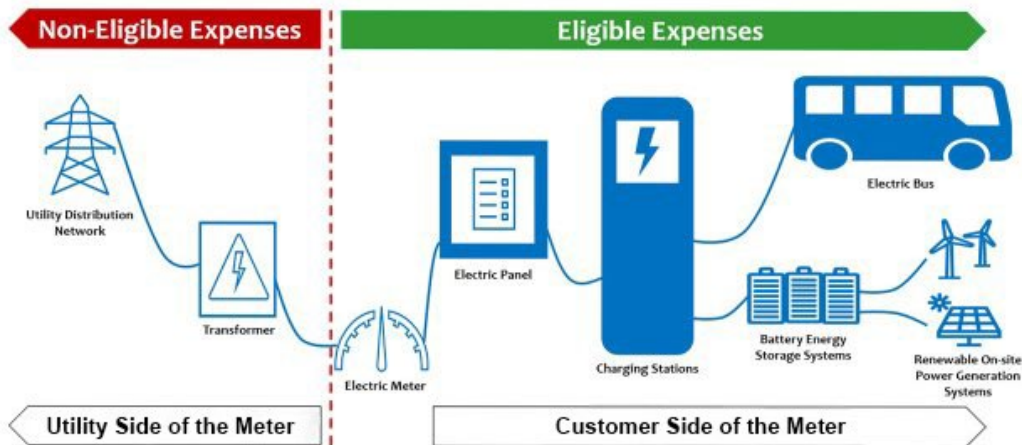
Additional requirements for EVSE include:

- Be EPA ENERGY STAR certified at the time of purchase (if AC Level 2 charging).
- Be installed, operated, and maintained by electricians certified by the Electric Vehicle Infrastructure Training Program (EVITP) or any other program approved by the EPA in deliberation with the Department of Labor and Department of Transportation. For

projects with more than one electrician, at least one electrician needs to meet the certification requirement. Program beneficiaries should collect proof of EVITP certification and maintain it on file. EPA approval must be coordinated on a case-by-case basis for use of any program other than EVITP.

- Be limited to the customer's side of the meter (see **Exhibit 5** below)

Exhibit 5: EVSE Infrastructure Funding Restrictions³



Additional Requirements for Hydrogen Fueling

Additional requirements for Hydrogen fueling include:

- Be located inside of the relevant facility, such as storage tanks, liquid and gaseous pumps and vaporizers, compressors, heat exchanges, chillers, piping and pipelines WITHIN the facility, and high-pressure dispensers to fuel the hydrogen fuel cell vehicles.

Additional Requirements for Distributed Energy Resources

Additional requirements for Distributed Energy Resources include:

- Be installed to support ~~BEV~~ and EVSE funded with rebate funding.
- Consist of battery energy storage systems, as well as on-site solar generation, and/or on-site wind power generation that power the vehicles.
- Be installed at the same site as the eligible EVSE.

FUNDING LEVELS AND ELIGIBLE COSTS

Funding Levels

For Round 1, NCTCOG will divide available funding equally into two categories for each fuel type: \$29.3 million for BEV projects and \$29.3 million for hydrogen fuel cell electric projects. The division of funding will be revisited after Round 1, as detailed in the **Schedule Section**.

EPA has established eligible funding amounts available for each vehicle and fuel type, as illustrated in **Exhibit 6**. NCTCOG will adhere to these eligible funding amounts. **Funding for**

³ [2024-chdv-grants-nofo-2024-04.pdf](#)

each vehicle replacement project is limited by the federal cost share percentage or dollar funding cap, whichever is lower. The federal cost share percentage applies to vehicle projects only and the dollar funding cap applies to vehicle and infrastructure projects.

For example, if an applicant applies for rebate funding for an eligible battery-electric refuse hauler that costs \$500,000, the maximum amount of federal funding they can request is 50% of the eligible new vehicle cost OR \$260,000, whichever is lower. The remaining cost of the battery-electric refuse hauler would be the responsibility of the applicant and would be counted as applicant's contribution/match for the NTxZEV Project.

Note that rebate awards will be paid on a reimbursement basis. Program beneficiaries must complete implementation of eligible activities and submit a reimbursement request to receive rebate payments as detailed in the **Rebate Administration & Project Implementation Requirement Section**.

Exhibit 6: Maximum Eligible Funding Levels for Vehicle Projects and Vehicle and Infrastructure Projects

Vehicle Type	Battery-Electric Vehicles		Hydrogen Fuel Cell Electric Vehicles	
	Federal Share of New Vehicle Price	Dollar Funding Cap (Vehicle + Infrastructure)	Federal Share of New Vehicle Price	Dollar Funding Cap (Vehicle + Infrastructure)
Straight/Box Truck	65%	\$190,000	80%	\$400,000
Step Van		\$160,000		\$340,000
Septic or Bucket Truck		\$330,000		\$670,000
Other Vocational Vehicle ⁴		\$355,000		\$720,000
Refuse Hauler	50%	\$260,000	70%	\$600,000
Street Sweeper		\$315,000		\$720,000
Transit Bus	33%	\$265,000	60%	\$780,000

Allowable funds should be exhausted on vehicle replacement activities prior to requesting any funding for infrastructure. See **Appendix D** for more details. As many program beneficiaries are likely to not receive infrastructure funding, or will receive a small amount of infrastructure funding, NCTCOG strongly encourages entities to consider exploring other funding opportunities to support ZEV infrastructure, especially since these other funding programs do not apply the same stringency of federal requirements to infrastructure. Suggested programs include:

- The [Alternative Fueling Facilities Program \(AFFP\)](#) provides funding to construct or expand alternative fuel facilities which includes electric and hydrogen fueling facilities in eligible regions of Texas. This program is provided by the Texas Commission on Environmental Quality (TECQ) and is open until January 20, 2026.
- [Texas Hydrogen Infrastructure, Vehicle, and Equipment Program \(THIVE\)](#) provides grants in eligible Texas counties for hydrogen, vehicles, equipment, and refueling infrastructure. Applicants can apply for up to 50% of the incremental cost of a hydrogen refueling infrastructure project. The program is expected to open in January 2026.

⁴ A School Bus that do not meet the definition of a school bus detailed in **Appendix A** may apply under the Other Vocational Vehicle type.

- The IRS [Alternative Fuel Vehicle Refueling Property Tax Credit](#) is available to businesses, tax exempt organizations, or individuals who install qualified fueling or recharging property in eligible locations and is open through June 2026. Both hydrogen refueling infrastructure and electric vehicle charging equipment are eligible refueling types.

Publicly accessible infrastructure may support some fueling or charging needs. Key opportunities include:

- **Texas EV Charging Plan:** The Texas Department of Transportation (TxDOT) has developed a plan to create a statewide EV charging network. Phase 1 of the plan consists of building chargers along designated [Alternative Fuel Corridors](#). During Phase 2, additional EV charging infrastructure will be built within metropolitan areas, including NCTCOG, and may include charging for medium- and heavy-duty trucks. Fleets are encouraged to contact NCTCOG staff to suggest sites for medium- and heavy-duty truck charging, or to place comments on the [TxDOT Interactive Map](#).
- **Texas Hydrogen and Electric Freight Truck Infrastructure Project:** NCTCOG received funding through the Federal Highway Administration's Charging and Fueling Infrastructure Corridor Program to construct up to 5 medium-/heavy-duty hydrogen refueling stations along the Texas Triangle. This project includes a location along Interstate 35W north of Fort Worth near the Alliance area, and a location along Interstate 20 near the interchanges with Interstates 35 and 45. For more information, contact NCTCOG staff.

Eligible Costs

Applicants can request rebate funding for the following costs:

Vehicle Costs: Eligible project costs include the cost of the new vehicle to be purchased, subject to Dollar Funding Cap (Vehicle + Infrastructure) and the Federal Share of the New Vehicle Price included in **Exhibit 6**. This includes vehicle equipment, body components, upfitting or customization related costs that ensure the new vehicle is able to perform the same or similar function and operation as the existing vehicle to be replaced. For example, if a cab and chassis need to be purchased separately for the new vehicle to perform the same function as the existing vehicle then the cab and chassis would both be eligible vehicle costs. Vehicle Warranties **and software** are considered an eligible vehicle costs if the **warranty costs** ~~was~~ were included with purchase of the vehicle **(such as included on the same invoice/purchase order)**.

Infrastructure Costs: Subject to the requirements detailed in the **Eligible Activities Section** requirements, and subject to the cost cap limitations detailed in the **Funding Levels Section**, eligible infrastructure costs include up-front costs necessary to deploy and place infrastructure into operation, such as:

- Design and Engineering Costs
- Permitting
- Equipment
- Construction/Installation Costs: Including, but not limited to, trenching and labor
- Related intelligent equipment and software designed to monitor vehicle and infrastructure performance **(such as telematics or charge management software, only if the cost was included with the purchase of the infrastructure)**.
- Warranties (only if the cost was included with the purchase of infrastructure)

Limitation on Eligible Costs

Public Financial Assistance: All *non-federal mandatory cost share must be contributed by the program beneficiaries who are receiving the rebates*. Therefore, recipients may not “stack” rebate funding with any other public financial assistance, such as federal financing assistance (e.g. EPA DERA) or state funding (e.g. Texas Emissions Reduction Plan (TERP) or Texas Volkswagen Environmental Mitigation Project (TxVEMP) funds).

Ineligible Costs:

Ineligible costs includes the following:

- **Related Vehicle Costs Not Purchased Alongside Vehicle:** This includes Vehicle Delivery Costs, Performance-Monitoring Software & Equipment, Regular and Extended Warranty Costs *that are not purchased alongside the associated vehicle/infrastructure/equipment*. For example, a vehicle’s extended warranty is purchased separately and also invoiced separately from the vehicle is not an eligible cost.
- **Engine Replacements/Repowers:** Funding under this CFP is only permitted for newly manufactured, complete vehicles and cannot be used for repowers.
 - Vehicles that have been converted to battery-electric drivetrain after their initial retail sale are not eligible for funding.
 - The conversion of a vehicle to a battery-electric drivetrain is not considered as eligible cost or activity.
- **Off-Road or Hybrid Vehicles**
- **Fleet Expansion:** Funds provided under this CFP may not be used to purchase vehicles for fleet expansion. Any vehicle being replaced must be retired from the program beneficiary’s fleet as detailed in the **Eligible Activities Section**.
- **Infrastructure Work on Utility side of Electric Meter** (i.e. Front of the Electric Meter): For example, funding cannot be used for utility-owned power distribution; transformers located on the utility side of the meter and their installation; electricity; operation and maintenance of utility systems.
- **Infrastructure Work Outside the Relevant Facility:** For example, funding cannot be used for hydrogen piping and pipelines that expand beyond the boundaries of the relevant facility.
- **Non-Renewable On-Site Power Generation Systems:** Funding may not be used for non-renewable (i.e., non-wind and non-solar) energy- or ~~biodiesel~~ -fueled stationary on-site power generation systems and installation purposes.
- **Leasing:** Funding cannot be used to lease vehicles or equipment. If funding is needed, the purchase should be financed with a conventional purchase loan.
- **Demonstration or Commercialization:** Funding cannot be used for research and development, technology demonstration, commercialization, certification, or verification.
- **Expenses Incurred Prior to the Agreement Execution with NCTCOG:** Any expenses incurred before receipt of a signed agreement from NCTCOG are ineligible.
- **Emissions Testing:** Funding cannot be used for emissions testing and/or air monitoring activities (including acquisition cost of emissions testing equipment).
- **Program Beneficiary Costs:** Administrative costs and other internal costs of the program beneficiary including, but not limited to, personnel expenses, internal salaries, indirect costs, and travel.

- **Procurement Organizations:** Fees associated with cooperative procurement organizations (e.g., BuyBoard, Sourcewell).
- **Third-Party Consultants:** Fees for a third-party consultant or dealer hired to coordinate the application or manage and administer rebate-funded activities, including coordination of the work and submission of reports and paperwork. This restriction is not intended to limit the ability of the equipment supplier or installer to include reasonable and necessary costs for managing the work to be performed in the price of the engine, equipment, or installation services. Per the Uniform Grant Management Standards, the cost plus-percentage-of-cost method of contracting for professional services shall not be used.

PROJECT REQUIREMENTS

The following requirements will apply to all program beneficiaries under this program. NCTCOG reserves the right to withhold or reduce rebate payments or request return of all or a pro-rate share of funds if these requirements are not met and/or not sufficiently documented. Potential program beneficiaries should consider these conditions carefully when evaluating whether to submit a rebate application.

Attend ZEV Training: Program beneficiaries are required to attend one in-person ZEV first responder training hosted by NCTCOG. Participation will ensure the program beneficiaries workers are prepared to respond to a ZEV incident safely. This requirement must be completed before reimbursement can occur.

Comply with Build America, Buy America: All grant ~~grant~~ **rebate**-funded equipment must meet Environmental Protection Agency (EPA) Requirements as provided in M-24-02 published on October 25, 2023, which state that: all steel or iron used and all products manufactured from steel and iron (including protective coatings) must be produced in the United States and all manufacturing processes for these materials must occur in the United States. After award, NCTCOG will work entities to secure Buy America compliance with the vehicle/equipment manufacturer.

Any questions on Buy America compliance may be directed to Emily Beckham at ebeckham@nctcog.org.

Provide a UEI & Proof of SAM Registration: Applicants are required to provide a Unique Identifier (UEI) number, and proof of a current registration with the System for Award Management (SAM). Program beneficiaries can receive a UEI and start the registration process in SAM at no cost at www.SAM.gov. The process for entity registrations includes obtaining Unique Entity ID (UEI), a 12-character alphanumeric ID assigned to an entity by SAM.gov, and requires assertions, representations, and certifications, and other information about the organization. If a UEI has not yet been assigned or the SAM registration has not been approved by the time the application is submitted, please include the date the applicant requested the UEI and/or the date the SAM registration was submitted.

Meet Operational Expectations: Program beneficiaries must utilize and maintain operations of rebate-funded vehicles and infrastructure in good working order, and in a manner consistent with the goals and objectives of these Guidelines, for at least 5 years after the

vehicles/infrastructure are placed into operation. This 5-year period is known as the “Activity Life” of the project.

Notification of Changes: Program beneficiaries must notify NCTCOG of changes in the following for the duration of the Activity Life: termination of use, change in use or location, sale, transfer, or accidental or intentional destruction of rebate-funded vehicles/infrastructure.

Public Awareness: To further enhance the partnership and marketing of emission reduction efforts, the program beneficiary must agree to place a label on rebate-funded vehicles/equipment if requested by NCTCOG.

Surrender Emissions Credit: Program beneficiaries must surrender all emissions reductions to NCTCOG to meet air quality requirements and goals. The recipient may not utilize emissions reductions to satisfy other air quality commitments unless otherwise agreed to by NCTCOG.

Voluntary Reductions: Projects must be voluntary in nature and not required by any local, state, or federal law, rule, regulation, memorandum of agreement, or other legally binding document.

Comply with Davis-Bacon Act (only applicable to infrastructure projects): For projects with anticipated construction costs in excess of \$2,000, Davis-Bacon (Payment of Prevailing Wage Rates) Act compliance requirements apply (40 U.S.C §§3141-3148, as supplemented by Department of Labor regulations 29 CFR Part 5). Applicants must require hired contractors to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, Applicants must require contractors to pay wages not less than once a week. Notification of the prevailing wage determination issued by the Department of Labor must be placed in each solicitation. An applicant’s (or applicant’s contractor) decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. Additionally, all contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3), which prohibits Applicants or contractors from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. All suspected or reported violations shall be reported to NCTCOG, which will then be reported to NCTCOG’s federal funding agency.

APPLICATION PROCESS

Submittal Instructions

Application forms and supporting resources are available at www.nctcog.org/NTxZEV. As part of applying, applicants must also complete a Risk Assessment, which is available at: <https://www.surveymonkey.com/r/NTxZEVCFP>.

Applicants may submit one in-hand hard copy or one in-hand flash drive of the proposal. This application will need to be completed and signed, either as an e-signature or with a “wet signature”. Flash drives should contain one file preferably with indexed sections. Flash drives that are unreadable or contain corrupt files will be considered non-responsive. **Applications**

must be received no later than 5:00 p.m., Central Time, on Friday, February 13, 2026.

Applications received after that time will not be considered and will be returned to the Applicant unopened. The in-hand submittal will count as the official submittal. In addition to the hard copy, applicants are encouraged to email a courtesy electronic copy in Excel format to cleancities@nctcog.org. The e-mailed Excel copy is just a courtesy copy and will not be considered a formal submission.

Applications should be addressed to:

North Central Texas Council of Governments
Transportation Department
North Texas Zero Emissions Vehicles **Call for Projects**
Attention: Savana Nance
616 Six Flags Drive
Arlington, TX 76011

In addition to the in-hand submittal **and courtesy electronic Excel copy**, NCTCOG encourages **electronic submission of the application and all needed attachments to Bidnet Direct.** ~~as NCTCOG is testing a new e-procurement system, NCTCOG will be releasing this CFP through the Bidnet Direct system and will accept electronic submissions through the system. A Bidnet Direct link to this Call for Projects will be added to the Bidnet Direct website by Monday, November 10 prior to the CFP workshop. Instructions on how to submit through Bidnet can be found on the NCTCOG Purchasing page (www.nctcog.org/agency-administration/purchasing).~~ **Electronic-only submissions** ~~Proposers are encouraged to submit a courtesy response in Bidnet Direct to help familiarize themselves and NCTCOG staff with the system. If only a Bidnet Direct submittal is received, it will not be evaluated.~~

Applicants are encouraged to submit in advance of the submission deadline to allow staff time to review the application for completeness.

Steps to Apply:

The completed application form and all required attachments must be received “in hand” by the application deadline for a project to be deemed complete.

Step 1: Review the NTxZEV CFP Guidelines

Step 2: Review Frequently Asked Questions (FAQ)

The FAQ document is available at www.nctcog.org/NTxZEV. Note, this document is **not** available on Bidnet.

Step 3: Submit an Online Intent to Submit Form (optional)

Deadline: No later than two weeks prior to application deadline

Step 4: Submit Online Risk Assessment (including any required attachments)

Deadline: As soon as possible, but no later than the application deadline

The Risk Assessment is available at <https://www.surveymonkey.com/r/NTxZEVCFP>

Step 5: Submit Application Form and Required Attachments

Deadline: As soon as possible, but no later than the application deadline.

The Application Form is available at www.nctcog.org/NTxZEV. **Note, it is highly recommended that applicants fill out the Application Form in Excel, then print for signature and submission to NCTCOG.**

Required, Recommended, and Project Specific Attachments are detailed below.

Required Attachments:

- I. Signed Copy of Clean Fleet Policy; or documentation of current fleet policy's consistency with NCTCOG's Clean Fleet Policy (if not already on file with NCTCOG) (see **Eligible Applicants Section**)
- II. Documentation of ~~vehicle logs~~ **operations** for each **Existing Vehicle to be Replaced** ~~vehicle to be replaced~~ demonstrating the vehicle meets usage requirements detailed in the **Eligible Activities Section**.
- ~~III. Documentation supporting estimates for new vehicles (i.e. price quote)
As part of the application, Applicants must submit cost estimates/quotes for each vehicle and fuel type, each type of refueling infrastructure, and each type of battery electric storage system or renewable energy generation. Program beneficiaries are advised to consult multiple sources to ensure that estimated costs are as accurate and realistic as possible. These cost estimates/quotes will be used to verify the reasonableness of estimated project costs and funding amounts requested.~~
- IV. Proof of SAM Registration/**UEI Number (or the date the applicant requested the UEI or submitted a SAM Registration)**

Recommended Attachments:

- I. **Documentation supporting cost estimates (i.e. price quote)**
As part of the application, Applicants are highly encouraged to submit cost estimates/quotes for each vehicle and fuel type, each type of refueling infrastructure, and each type of battery-electric storage system or renewable energy generation. Program beneficiaries are advised to consult multiple sources to ensure that estimated costs are as accurate and realistic as possible. These cost estimates/quotes will be used to verify the reasonableness of estimated project costs and funding amounts requested as part of scoring criteria 2.

Project-Specific Attachments, depending on specific project characteristics:

- V. "Will Serve" Letter from Utility
~~Highly recommended~~ **Required** ~~ONLY~~ **ONLY** for applicants requesting funding for EVSE
- VI. Utility **Coordination Form** ~~Partnership~~ see **Appendix C**
*Optional but recommended for applicants requesting NTxZEV funding for BEV or EVSE. The Utility **Coordination Form** ~~Partnership~~ demonstrates an applicant has begun planning with their utility for BEV/EVSE adoption and the utility has determined the applicant's project is feasible. The document is non-binding. If awarded, all program beneficiaries who receive funded for BEV or EVSE will be*

required to submit the Utility **Coordination Form Partnership Template** prior to receiving reimbursement for the new vehicle.

VII. Documentation and/or Letter of **Commitment** from the Owner of the Infrastructure Installation Site, if applicable

*Required only when NTxZEV Project funding is requested for infrastructure that will be installed on land not owned by the applicant. A **template Letter of Commitment from the Owner of the Infrastructure Installation Site** is available at www.nctcog.org/NTxZEV. ~~It is recommended that~~ If an applicant chooses to not use the template letter, the letter should be on the property owner's letterhead and contain/acknowledge the following:*

- The amount and type of ZEV infrastructure which is proposed to be installed through an applicant's NTxZEV proposal.
- **The address the ZEV infrastructure is proposed to be installed at.**
- Who will utilize the ZEV infrastructure (i.e. just the fleet, the general public, multiple fleets at the same facility, etc.)
- Any site upgrades needed to facilitate the installation of this infrastructure.
- The required activity life of infrastructure funded through the NTxZEV CFP **and that the property/site owner will work with the applicant to ensure they have access to the infrastructure for the 5-year Activity Life.**

VIII. Letter of Support from Fleet Owner of Existing Vehicle to be Scrapped

*Required only if the applicant is proposing to scrap an existing vehicle to be replaced that they are NOT the current owner of. A **template Letter of Support from Fleet Owner of Existing Vehicle to be Scrapped** is available at www.nctcog.org/NTxZEV. If an applicant chooses to not use the template letter, they should ensure ~~It is recommended that~~ the letter **contains/acknowledges** the following:*

- **The Current Fleet Owners Letterhead.**
- **The Current Fleet Owner has been made aware of the NTxZEV CFP for the Existing Vehicles to be Replaced (also known as the Third-Party Vehicle).**
- **The Existing Vehicle(s) to be Replaced/Third-Party Vehicle meets all eligibility requirements for the NTxZEV Project.**
- **The Applicant will acquire the Existing Vehicle to be Replaced/Third-Party Vehicle and any needed documentation needed to demonstrate the vehicle's eligibility for the NTxZEV CFP within 90 days of the applicant signing an agreement with NCTCOG. ~~by October 29, 2027.~~**
- **The Existing Vehicle to be Replaced/Third-Party Vehicle will be scrapped by permanently disabling the engine and chassis in accordance with the program's required destruction methods by October 29, 2027.**

IX. Plan for Existing Vehicle to be Replaced to Move to Reduced Service

Highly recommended to be submitted at the time of application if a fleet is requesting "Move to Reduced Service" as the Disposition Option. Required if a fleet is selected for an award.

Use of Consultants:

Private consultants may be available to assist in completing and submitting an application. These consultants do not represent NCTCOG, and NCTCOG neither encourages nor discourages the use of a consultant to assist with the application process. NCTCOG has no agreement with any consultant and applications submitted by a particular consultant will not receive any more favorable treatment than other applications. Fees charged by a consultant are the responsibility of the applicant and may not be charged to the grant, either directly or as an addition to the cost basis of the grant ~~rebate~~-funded equipment. Moreover, NCTCOG staff are available to field application questions as needed.

Applicants are encouraged to take advantage of free technical assistance available from the National ~~Laboratory of the Rockies (NLR) Renewable Energy Lab (NREL)~~. ~~NLR~~ ~~NREL~~ has been contracted as a technical assistance provided by the EPA to support the Clean Heavy Duty Vehicle Program, through which this CFP is being made available. ~~NLR~~ ~~NREL~~ provides unbiased, free, and customizable technical assistance to help fleets plan for ZEV adoption. ~~NLR~~ ~~NREL~~ support can include coordinating with utilities, analyzing charging infrastructure needs, conducting route analysis/planning, advising training and workforce development, identifying solar and battery storage opportunities, and more. Contact cleanhdvehiclesTA@nrel.gov to request assistance, or go to <https://driveelectric.gov/contact>.

SCORING CRITERIA

Applications will be evaluated on a competitive basis with other applications received upon the appropriate deadline (Round 1, Round 2, etc.) using the criteria outlined below.

There is no limit to the number of replacement activities and/or amount of funding one applicant can request. However, in the event an applicant submits multiple replacement activities in one application, NCTCOG reserves the right to fund some, but not all, replacement activities and/or infrastructure in each application. Each individual vehicle replacement activity and/or supporting infrastructure will likely score differently, with each vehicle being able to receive up to 100 points in project scoring, as shown in **Exhibit 7**.

Exhibit 7: NTxZEV Scoring Criteria

Capital Cost per Ton (Up to 30 points)	Impact on Regional Air Quality (Up to 30 points)	Feasibility and Risk (Up to 25 points)	Long-Term Sustainability Efforts (Up to 15 points)
Cost per Ton of nitrogen oxides reduced (20 points) Cost per Ton of volatile organic compounds reduced (10 points)	% of time operating within ozone nonattainment area, rest of NCTCOG region, or areas bounded by the Texas Triangle (10 points) High idling hours per day (10 points) Vehicle Disposition Method (10 points)	Project schedule, implementation plan, and measures to mitigate asset damage (15 points) Beneficiary risk assessment and NCTCOG administrative burden (10 points)	Broader environmental or sustainability planning and practices (10 points) Vehicle-to-grid compatibility and/or the use of distributed energy resources (5 points)

Scoring Category 1: Capital Cost per Ton – Up to 30 Points

- I. Up to 20 Points: Cost per Ton of NO_x Reduced**
- II. Up to 10 Points: Cost per Ton of VOC Reduced**
 - a. NCTCOG will calculate the Cost per Ton of each pollutant reduced for the entire project over the Activity Life (5 years), regardless of where the vehicle is operating, using the Argonne National Laboratory Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) Tool⁵. Inputs will be based on information provided in the Application. Cost per Ton can be impacted by:
 - i. Amount of rebate funding requested for the new vehicle and supporting infrastructure. If one infrastructure is supporting multiple new vehicles, the requested rebate funding for the infrastructure will be split between all related new vehicles. The amount of funding requested will be the maximum amount of funding that can be reimbursed for an activity and any cost increases will be the responsibility of the applicant.
 - ii. Existing Vehicle Operation Information (i.e. mileage, fuel use, and/or idling hours);
 - iii. Class/Type of Vehicle;
 - iv. EMY of Existing Vehicle to be Replaced; and
 - v. Fuel Type of Existing Vehicle to be Replaced.
 - b. Projects with a lower Cost per Ton emissions reduced will receive higher points.

⁵ <https://afleet.esia.anl.gov/home/>

Scoring Category 2: Impact on Regional Air Quality – Up to 30 Points

I. Up to 10 Points: Percent of Time Operating Within the Ozone Nonattainment Area, Rest of NCTCOG Region, or Areas Bound by the Texas Triangle

- a. Vehicle replacement activities will be scored based on the percentage of time operating in areas identified as high priority, as shown in **Exhibit 3**, and a full list of counties are included in **Appendix B**.
- b. Proposed vehicle replacement activities will be prioritized in the following order, with option 1 receiving the most points and option 4 receiving the least:
 - i. Operations primarily within NCTCOG's ozone nonattainment area (2008 or 2015 standard).
 - ii. Operations primarily within NCTCOG's 16-County region.
 - iii. Operations primarily within Areas Bound by the Texas Triangle (I-45, I-10, and I-35).
 - iv. Operations outside these high priority areas

Note that while Scoring Category 2 prioritizes operations within NCTCOG's ozone nonattainment area, Scoring Category 1 is calculated based on the entire project, regardless of area of operation. A proposed vehicle replacement activity could score high in Scoring Category 1 but score low in Scoring Category 2 due to not having operations confined to NCTCOG's 10-county ozone nonattainment area, or vice versa. Therefore, applicants are encouraged to submit all eligible projects, even if they do not solely operate within the NCTCOG 10-county ozone nonattainment area.

II. Up to 10 Points: High Idling Hours per Day

- a. Vehicle replacement activities will be scored based on their hours of idling per day, with existing vehicles to be replaced with significant idle time scoring higher. Idling vehicles produce harmful emissions and increases fuel consumption.⁶ Therefore, the replacement of these vehicles with ZEV could provide significant air quality benefits. The idle time of the existing vehicles to be replaced may be compared to the following:
 - i. The idle time of other proposed vehicle replacement activities submitted to the NTxZEV Project.
 - ii. Average idle times for that vehicle's vocation provided by tools such as the AFLEET, the Diesel Emissions Quantifier Tool,⁷ and/or the MOtor Vehicle Emission Simulator (MOVES) Tool.⁸

III. Up to 10 Points: Vehicle Disposition Method

Vehicle replacement activities will be prioritized in the following order, with Option a. receiving the most points and Option c. receiving the least:

- a. Projects that commit to scrap EMY 2010 or older existing vehicle to be replaced will receive the most points. Scrapping vehicles with this EMY guarantees permanent air quality benefits as these vehicles have higher emission rates than trucks powered by 2011 or newer engines. This disposition method optimizes the NTxZEV Project goal to improve air quality.

⁶ <https://www.epa.gov/verified-diesel-tech/learn-about-idling-reduction-technologies-irts-trucks-and-school-buses>

⁷ <https://cfpub.epa.gov/quantifier/index.cfm?action=main.home>

⁸ <https://www.epa.gov/moves>

Note NCTCOG does NOT encourage scrappage of trucks that are powered by engines that comply with current EPA emissions standards (emission rate not to exceed 0.2 grams NO_x per brakehorse-power). NCTCOG acknowledges that many fleets who are interested in acquiring ZEVs do not have vehicles with an EMY of 2010 or older in their fleets. In order to receive maximum points in this criterion, these applicants may wish to sell or donate their trucks with an EMY of 2011 or newer to a fleet with a EMY of 2010 or older, which can then be scrapped as part of this program.

- i. If an applicant chooses this option, the applicant will need to indicate this in the Application Form **and must attach a letter from the current fleet owner indicating their willingness to scrap the vehicle if the applicant is selected for funding (see the Steps to Apply Section, Required Attachments: Letter of Support from the Fleet Owner of the Existing Vehicle to be Scrapped).** ~~documentation of the second fleet's agreement to scrap the vehicle with an EMY of 2010 or older for the NTxZEV CFP.~~
- ii. Additionally, if awarded, prior to submitting for reimbursement for the new ZEV, program beneficiaries will need to:
 1. Acquire the existing **EMY 2010 or older vehicle to be replaced with an EMY of 2010 or older within 90 days of the applicant signing an agreement with NCTCOG.**
 2. Coordinate with NCTCOG to document eligibility and scrappage for the existing vehicle to be replaced
- b. Projects that propose to sell or donate the existing vehicle to be replaced. This option is only available if the existing vehicle to be replaced has an EMY of 2011 or newer.
 - i. Existing vehicles to be replaced which will be sold or donated will score higher if they are able to provide an explanation of any emission reductions that may be expected to occur in the NCTCOG region based on the sale donation of these vehicles. **Projects that do not adequately demonstrate emission reductions to the NCTCOG region will score lower.** Examples of ways to demonstrate emission benefits from the sale or donation of the existing vehicle to be replaced include:
 1. Selling/Donating the vehicle outside of Texas and/or United States.
 2. Donating the vehicle to an operation with minimal mileage, such as a vehicle used for training, spare parts, or a spare.
- c. Projects that propose to move the existing vehicle to be replaced to reduced service. This option is only available to Transit Agencies, due to the Federal Transit Administration's recommendation for Transit Agencies to maintain a spare ratio of 20%.⁹
 - i. Applicants who wish to utilize the reduced service option will be required to develop a detailed plan to be approved by NCTCOG and the Environmental Protection Agency. This plan should be included as an attachment and submitted to NCTCOG upon application submittal.

⁹ <https://www.transit.dot.gov/sites/fta.dot.gov/files/2024-11/Oversight-Procedure-37-Fleet-Management-Plan-Review.pdf>

Scoring Category 3: Feasibility and Risk – Up to 25 Points

- I. **Up to 15 Points: Project Schedule, Implementation Plan, and Measures to Mitigate Asset Damage.** Projects will be scored based on how likely they are to be successful and meet NTxZEV Project Requirements. Considerations include:
 - a. A reasonable project schedule to ensure the project can be completed by the deadline of the NTxZEV CFP (Projects completed by October 29, 2027)
 - b. A well-thought implementation plan, such as
 - i. A plan to ensure refueling will be available at the time of the delivery of the new vehicle
 - ii. Demonstration of coordination with the applicable utility (applications requesting EVSE only) through submittal of the Utility **Coordination Form Partnership Template** or a “Will-Serve” Letter from the utility provider (**see the Steps to Apply Section, Project-Specific Attachments**).
 - iii. Commitment to complete, or evidence of having already completed, training for drivers of ZEV.
 - c. Projects with measures in place to mitigate damage to vehicle and/or infrastructure and ensure vehicles operate for the Activity Life, such as:
 - i. Site security measures (bollards, motion activated lights, cameras, etc.).
 - ii. Protection from natural hazards (flooding, hail, etc.).
 - iii. Utilization of GPS, Telematics, or other vehicle tracking systems.
- II. **Up to 10 Points: Beneficiary Risk Assessment and NCTCOG Administration Burden**
 - a. Results of Risk Assessment, including
 - i. Results of an entity’s Risk Assessment and oversight necessary to ensure compliance with funding agency requirements.
 - b. Level of expected NCTCOG administrative burden, such as:
 - i. Expected level of coordination to resolve Buy America compliance determination (e.g., number of different vehicle types and OEMs).
 - ii. Whether infrastructure funding is requested.
 - iii. Degree to which selections result in a large number of small projects (*Fewer agreements with multiple vehicle replacement activities are easier for NCTCOG to administer than many agreements with only 1-2 trucks each*)

Scoring Category 4: Long-Term Sustainability Efforts – Up to 15 Points

- I. **Up to 10 Points: Projects with Broader Environmental or Sustainability Planning or Practices:**
 - a. Vehicle replacement activities will be scored based on how projects support or fit into an entity’s broader environmental or sustainability planning or efforts, such as:
 - i. Plans or commitments to transition fleets to utilize the lowest-emitting fuels, such as a zero-emission vehicle transition.
 - ii. Entity-wide environmental/sustainability plans.
 - iii. Projects that use specific contracting methods or purchasing policies to influence partners to adopt sustainable practices.

II. Up to 5 Points: Vehicle to Grid Compatibility and/or the Use of Distributed Energy Resources

- a. Vehicle replacement activities will be scored on if they will be refueled/recharged with infrastructure that include strategies to minimize grid impacts, such as:
 - i. Utilization of distributed energy resources (e.g., BESS, solar- or wind-powered on-site power generation systems) with new vehicle charging/refueling infrastructure.
 - ii. Capability and/or plans for vehicle/chargers to provide power back to the grid, if possible (i.e. Vehicle to Grid).
 - iii. Utilization of managed charging strategies or software (i.e., smart charging) to shift load “off-peak” as much as practicable.

REBATE ADMINISTRATION & PROJECT IMPLEMENTATION PROCESS

NCTCOG is administering this funding in a rebate structure. They are **not** considered subawards/subgrants as defined in 2 CFR Part 200, under this award and should not be treated as such.

Once NCTCOG scores all submitted activities, staff will finalize funding recommendations that will then be presented to the NCTCOG Surface Transportation Technical Committee, Regional Transportation Council, and Executive Board for approval. Projects are not considered “awarded” until all three committees have approved funding recommendations. The NCTCOG Executive Board will authorize the amount of rebate funding for an individual applicant, which will be integrated into the rebate award agreement. That amount is the maximum amount of funding that can be reimbursed, so any cost increases will be the responsibility of the applicant.

NCTCOG will notify **all applicants** ~~program beneficiaries~~ whether the project has been awarded and, if so, rebate amounts awarded. The notification will be sent to all points of contact identified on the rebate application. **This notification is not authorization to begin work.** In order to formally accept rebate funding, applicants selected for awards will be required to complete Steps 1 and 2 below.

If awarded, the steps to implement generally are as follows:

Step 1: Attend Kick-Off Meeting with NCTCOG Staff

NCTCOG will hold a kick-off meeting with all awarded applicants/program beneficiaries in advance of signing agreements. The meeting will outline processes, requirements, and expectations.

Step 2: Sign Agreement with NCTCOG

No rebate activities may begin until after the agreement between NCTCOG and the program beneficiary is fully executed. “Rebate activities” in this case includes placement of vehicle or infrastructure purchase orders, permitting requests, **acquisition of any third-party vehicles for scrap**, or any other eligible costs.

Program beneficiaries are encouraged to begin coordinating with NCTCOG for BABA compliance documentation as soon as a probable vendor is identified. This coordination may begin prior to signing the rebate agreement as long as the program beneficiary does not place an order.

Step 3: Complete Purchases in Accordance with Agreement and Scope Requirements

Program beneficiaries must complete purchases per the executed agreement and as detailed in the project scope of work.

Step 4: Submit Preliminary Reimbursement Request

Program beneficiaries must submit a preliminary reimbursement request that includes the following:

- I. Program beneficiaries must identify expected applicant contribution/match sources, which must fund at least 67, 50, 40, 35, 30 or 20 percent of total replacement project cost depending on type of vehicle replacement per **Exhibit 6**. Matching funds should be sourced from the applicant's own resources. The applicant cannot 'stack' other federal or state incentives to offset applicant contribution/match requirements.
- II. NCTCOG will verify that all Existing Vehicles to be Replaced and all New Vehicles meet the eligibility requirements outlined in the **Eligible Activities Section** by confirming information on the vehicle Engine Label or Emission Control Label (ECL) during the site visit (Step 5) and prior **to disposition**.

Note: Disposition cannot occur until the preliminary reimbursement request has been approved by NCTCOG and NCTCOG has notified the program beneficiary to proceed to Step 5.

Step 5: Disposition

All Existing Vehicles to be Replaced must be disposed of from the program beneficiary's fleet through one of the allowable disposition options detailed in **Exhibit 4**. **NCTCOG will conduct a site visit to observe and document disposition of the existing vehicle to be replaced as part of this step. No disposition activities should occur without coordinating with NCTCOG.** Program beneficiaries must adhere to the corresponding disposition requirements as follows.

- I. **If the Existing Vehicle to be Replaced will be Scrapped:**
 - a. All vehicles/engines must be rendered permanently disabled by:
 - i. Disabling the engine requires cutting, drilling, or punching a three-inch-by-three-inch (3" x 3") hole in the engine block (the part of the engine containing the cylinders) and cutting or crushing one chassis rail between the axles.
 - ii. Disabling the chassis consists of cutting completely through the frame/frame rails on each side of the vehicle at a point located between the front and rear axles. Vehicle components that are not part of the engine or chassis may be salvaged from the unit being replaced (e.g., plow blades, shovels, seats, tires, etc.).
 - iii. Both the engine and chassis of each vehicle must be disabled for each vehicle replacement activity.

- b. Program beneficiaries must apply for a non-repairable vehicle title in advance of completing disposition.
- c. NCTCOG staff must be present to witness vehicle/engine destruction and take required photos. Program beneficiaries must schedule the destruction in coordination with NCTCOG to ensure staff attendance.
- d. Complete documentation of vehicle disposition must be included with the reimbursement request submitted for preliminary review. NCTCOG will provide the required documentation form as part of the rebate agreement and will facilitate completion of the form through the destruction site visit.
- e. Alternative disabling methods must be approved by NCTCOG in advance on a case-by-case basis. If other, pre-approved scrappage methods are used, details and documentation must be submitted to NCTCOG. Disposition documentation requirements will apply and will be detailed as part of the NCTCOG approval.

II. If the Existing Vehicle to be Replaced will be Sold or Donated:

- a. NCTCOG staff will complete a site visit to see the vehicle to be sold **or donated** prior to selling/**donating**.
- b. All vehicles to be replaced must be legally sold or donated through the typical processes.
- c. Complete documentation of the vehicle sale or donation (e.g., bill of sale) must be included with the final reimbursement request submittal. NCTCOG will provide the required documentation form as part of the rebate agreement.

III. If the Existing Vehicle to be Replaced will be Moved to a Reduced Service:

- a. This option is only available to program beneficiaries that are a qualifying Transit Agency as described in **Exhibit 4**.
- b. Program beneficiaries must receive prior approval from NCTCOG and EPA.
- c. NCTCOG staff will complete a site visit to see the vehicle prior to requesting reimbursement.

Step 6: Submit Final Reimbursement Request

Rebates will be made on a reimbursement basis for eligible expenses incurred and paid by the program beneficiary. A cost may not be considered incurred until the rebate-funded vehicle has been paid for by the program beneficiary. Requests for reimbursement shall include documentation to show that the new vehicle has been received, invoices for all claimed expenses, proof that all expenses have been paid, and documentation of proper vehicle disposition. **All eligible expenses must be paid in full in order to be reimbursed.** NCTCOG will provide recommended forms and/or templates for reimbursement requests.

Step 7: Reporting and Vehicle Use

Program beneficiaries must submit required reporting relevant to rebate-funded projects to NCTCOG until final reimbursement is issued. Required reporting is as follows:

- I. **Project Status Report:** Reports regarding project status on a monthly basis until final reimbursement is issued.
- II. **Annual Usage Reporting:** Annual reports on use of funded vehicles/equipment. NCTCOG will provide guidance on templates/submittal processes as part of the agreement. Reporting likely includes, but may not be limited to:
 - a. Hours/Mileage

- b. Asset Condition
- c. Location/Area of Operation

Appendices

Appendix A: Key Terms, Definitions, and Instructions

Appendix B: Counties Prioritized for NTxZEV Project

Appendix C: Utility **Coordination Form** ~~Partnership Agreement Template~~

Appendix D: Eligible Funding for Supporting Infrastructure Projects

