# New York Truck Voucher Incentive Program

Liz Markham - NYSERDA CDTC Quarterly meeting December16, 2021



### New York Truck Voucher Incentive Program

- \$58.3M incentive pool supporting medium and heavy-duty trucks, transit buses, school buses, and repowers
- Vouchers reduce the upfront purchase cost and accelerate or eliminate the payback period associated with cleaner vehicles
- Brings together vehicle manufacturers, dealers, and fleets to get cleaner trucks and buses on the road
- Scrappage ensures removal of the oldest, dirtiest diesel engines from New York State roads

# Funding available for:

- Class 3-8 Trucks
- Class 3-8 Transit Buses
- Class 3-8 School Buses
  - Geographical requirements
- Port Cargo Handling Equipment
- BEV conversions (repowers) are eligible
  - Must be certified with an operational lifespan of 10 years
- 'Other' medium and heavy duty vehicles
  - Off-road yard tractors in distribution facilities

#### **Program Funding**

| # | Funding Source        | Vehicle Types                                | Amount  |
|---|-----------------------|--|---------|
| 1 | CMAQ                  | \$10M  |         |
| 2 | Volkswagen Settlement | Class 4-7 Trucks                             | \$4.8M  |
| 3 |                       | Class 8 Trucks                               | \$3.6M  |
| 4 |                       | Class 4-8 Electric Transit Buses             | \$33.0M |
| 5 |                       | Class 4-8 Electric School Buses              | \$5.5M  |
| 6 |                       | Class 4-8 Propane & CNG School Buses         | \$0.5M  |
| 7 |                       | Non-road Port Cargo Handling Equipment (CHE) | \$0.9M  |
|   |                       | TOTAL  | \$58.3M |

#### **Voucher Amounts**

|                     |               |             |                                   | Voucl      | her Amounts a | ind Caps   |            |              |
|---------------------|---------------|-------------|-----------------------------------|------------|---------------|------------|------------|--------------|
| Vobiolo Turo        | Fuel Type     | Incremental | ental Vehicle Weight Class (GVWR) |            |               |            |            |              |
| Vehicle Type        |               | Cost %      | 3                                 | 4          | 5             | 6          | 7          | 8            |
|                     | BEV           | 95%         | <b>\$</b> -                       | \$ 100,000 | \$ 110,000    | \$ 125,000 | \$ 150,000 | \$ 185,000   |
|                     | FCEV          | 95%         | <b>\$</b> -                       | \$ 100,000 | \$ 110,000    | \$ 125,000 | \$ 150,000 | \$ 185,000   |
| On-Road             | PHEV          | 90%         | <b>\$</b> -                       | \$ 55,000  | \$ 60,000     | \$ 70,000  | \$ 100,000 | \$ exhausted |
| Trucks              | HEV           | 90%         | <b>\$</b> -                       | \$ 25,000  | \$ 35,000     | \$ 45,000  | \$ 50,000  | \$ exhausted |
|                     | CNG           | 90%         | <b>\$</b> -                       | \$ 30,000  | \$ 40,000     | \$ 50,000  | \$ 55,000  | \$ exhausted |
|                     | Propane       | 90%         | \$-                               | \$ 30,000  | \$ 40,000     | \$ 50,000  | \$ 55,000  | \$ exhausted |
| Transit Deserve     | BEV           | 100%        | <b>\$</b> -                       | \$ 100,000 | \$ 125,000    | \$ 150,000 | \$ 250,000 | \$ 385,000   |
| Transit Buses       | FCEV          | 100%        | <b>\$</b> -                       | \$ 100,000 | \$ 125,000    | \$ 150,000 | \$ 250,000 | \$ 385,000   |
|                     | BEV           | 100%        | <b>\$</b> -                       | \$ 100,000 | \$ 120,000    | \$ 150,000 | \$ 200,000 | \$ 220,000   |
| School Buses        | CNG           | 90%         | <b>\$</b> -                       | \$ 30,000  | \$ 40,000     | \$ 50,000  | \$ 55,000  | \$ 60,000    |
|                     | Propane       | 90%         | <b>\$</b> -                       | \$ 10,000  | \$ 10,000     | \$ 10,000  | \$ 10,000  | \$ 10,000    |
| Non-Road Port Cargo | BEV (new)     | 90%         | \$ 170,000 across all classes     |            |               |            |            |              |
| Handling Equipment  | BEV (repower) | 90%         | \$ 140,000 across all classes     |            |               |            |            |              |
| Other               | BEV (new)     | 80%         | \$ 60 000                         | \$ 90,000  | \$ 100,000    | \$ 110,000 | \$ 120,000 | \$ 150,000   |
| other               | BEV (repower) |             | \$ 60,000                         |            |               |            | \$ 120,000 | \$ 150,000   |

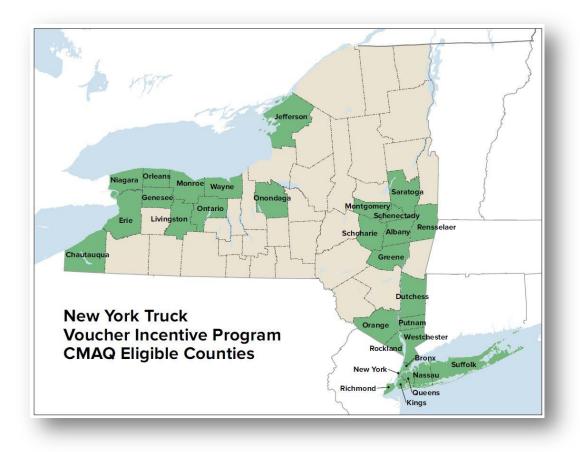
#### Locational Requirements – Disadvantaged Communities

- All-electric transit and school buses must be domiciled in, or operated within 0.5 miles of, a Disadvantaged Community (DAC)
  - If a depot is not in a DAC, the fleet must identify proposed route(s) in the application



#### **Locational Requirements – CMAQ**

- BEV projects may be eligible for less funding if they are in one of 30 counties with poor air quality
  - This funding pool is open to all eligible vehicle types but is limited to class 3-8 BEVs (new or repower)



# Vehicle Scrappage Requirements

- Goal: Reduce diesel exhaust emissions by replacing older, dirtier diesel vehicles with new electric vehicles
- Eligibility: Vehicles with 1992-2009 model year diesel engines
  - GVWR must be similar to new vehicle
  - Must meet annual usage requirements

Note: scrappage must occur <u>after</u> Voucher Application is approved



# What if we don't have any EMY 2009 or older?

- Ownership flexibility
  - Registered in NY for 24 of the most recent 27 months
  - Registration and mileage requirements
    may be met by previous owner
- Class size flexibility for BEV truck purchases
  - Within Class size 4-7, the scrappage vehicle may be up to two class sizes different than the new vehicle



### **Fleet Eligibility and Requirements**

| Vehicle Type                                 | Annual In-Service and Term Requirements for<br>New Vehicle   | Annual In-Service and Term Requirements for<br>Scrapped Vehicle   |  |  |
|--|--|---|--|--|
| Truck  | ≥5,000 miles annually on average during the five-<br>year in-service period  | ≥5,000 miles (or ≥1,000 hours in-service for off-<br>road vehicles) annually over the two most recent<br>years  |  |  |
| Transit Bus                                  | ≥15,000 miles annually on average during the five-year in-service period   | Must be part of active fleet for at least the<br>previous 24 months. A transit bus that is part of a<br>contingency fleet, or considered a spare bus, is not<br>eligible. |  |  |
| School Bus                                   | ≥8,000 miles annually on average during the five<br>year-in-service period   | ≥2,500 miles annually over at least one of the last two years   |  |  |
| Non-Road Port<br>Cargo Handling<br>Equipment | ≥700 hours annually on average during the five-<br>year in-service period (located and operated<br>exclusively at the approved port) | ≥700 hours a year for at least one of the last two<br>years at an eligible NYS port   |  |  |

## **Fleet Eligibility and Requirements**

- Vehicles purchased through the Program must be operated for a minimum of five years and average at least 5,000 miles per year
- Fleet Usage Reports are required for three years following voucher payment
- Lease term must be at least five years
  - Leasing company is purchaser of record, responsible for ensuring compliance with all requirements (e.g., reporting)

# **Charging Infrastructure Support**

- Electric utilities in NY are implementing a Medium- and Heavy-Duty Make Ready Pilot (MRP)
  - Provides \$15 million for make-ready infrastructure for MHDV fleets receiving vehicle incentives through NYTVIP
- NYTVIP team working with NYS utilities to coordinate processes and create a seamless experience for accessing vehicle + infrastructure incentives for MHD EVs
- Program overview: <u>https://jointutilitiesofny.org/ev/make-ready</u>

# Thank you!

For more information, visit the **NYTVIP website**: <u>https://nyserda.ny.gov/truck-voucher-program/</u>

Contact the Voucher Help Center: NYTVIP@energycenter.org 866-595-7917

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