Pennsylvania’s Natural Gas Vehicle Strategy

April 18, 2013
Why Natural Gas Vehicles?

- Air Quality Benefits
- Price to operate
- Stability of the fuel market
- Pennsylvanian Product
Funding Opportunities

- Act 13 Phase 1
- Act 13 Phase 2
- AFIG Competitive Grant
- AFIG Rebate Program
Pa. NGV Act 13 Grant Program

Background

• Authorized by Act 13 of 2012
  – Competitive reimbursement grant for purchase or retrofit of vehicles to run on natural gas

• Up to $20 million over 3 years
  – $10 million in FY ‘12-’13 (closed February 1, 2013)
  – $7.5 million in ’13-’14 (tentative opening date July 2013)
  – $2.5 million in ‘14-’15 (tentative opening date July 2014)
Act 13 Focus Areas

- Fleet vehicles:
  - Dedicated CNG over 14,000 lbs,
  - Dedicated LNG over 14,000 lbs,
  - Bi-fuel over 14,000 lbs.
Background

• The AFIG Fund was established under Act 166 of 1992.
• Up to $10 million.
• Grant round to open in May 2013 for 60 days.
AFIG Focus Areas

- Natural Gas Vehicles under 14,000 lbs. This is intended to complement the Act 13 NGV program.
- Any size electric, propane or other alternative fuel vehicles per application.
- Other innovation, development and alternative fuel for non-road vehicles.
The Basics

• Eligible costs:
  – Incremental purchase costs for new NGVs
  – Retrofit costs for existing vehicles
  – Equipment & installation costs only

• Ineligible costs:
  – Project development (engineering/FS/design)
  – Fueling infrastructure
Pa. NGV Grant Program

The Basics

• Grant awards capped at 50 percent of incremental purchase or retrofit cost per vehicle

• Grant awards capped at $25,000 per vehicle
The Basics

• Eligible applicants:
  – For-profit companies
  – Non-profit organizations
  – Commonwealth or municipal authorities
  – Pa. Turnpike Commission
  – State owned or state related universities
  – Local transportation organizations
Personal Vehicle Rebates

- $3,000 for vehicles with a battery system capacity 10 kWh or greater
- $1,000 for vehicles with battery system capacity less than 10 kWh,
- $1,000 are offered for natural gas, propane, hydrogen or fuel-cell vehicles,
- $500 rebate is available for electric motorcycles and scooters.
Additional initiatives

• Air Quality permit exemption for NGV fueling stations. (Exception 33)
• Mapping the location of all NGV fueling stations. (Both current and proposed)
• The inclusion of NGVs in our K-12 energy education efforts.
Recommendations

• Begin vehicle evaluations **now**
  – Identify best candidates for replacement and retrofit
  – Identify NGV options

• Identify likely fuel strategy or station(s)
  – Existing: verify availability and accessibility
  – New: determine costs, time needed, fuel source
Recommendations

• Don’t wait until last minute!!
• Seek out other project partners, explore upcoming outreach efforts on DEP’s website:

  www.depweb.state.pa.us
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