

2025-26 CLEAN TRUCK, BUS & AIRPORT EQUIPMENT RFA



LOGISTICS

ZOOM MEETING SETUP

Welcome and thank you for participating in DEQ's Clean Truck, Bus & Airport Equipment webinar. Please read the following tips about participating in this virtual meeting:

- We are recording the meeting.
- All participants have been automatically muted. Use the “raise hand” feature in the app to indicate that you would like to speak.
- If you are called on to speak, please identify yourself by stating your first and last name as well as your affiliation, if any.
- You may also use the chat box and/or Q&A to type your questions.
- Joining by phone?
 - Press *6 to mute/unmute yourself.
 - Press *9 to raise your hand.

Montana's Volkswagen Settlement



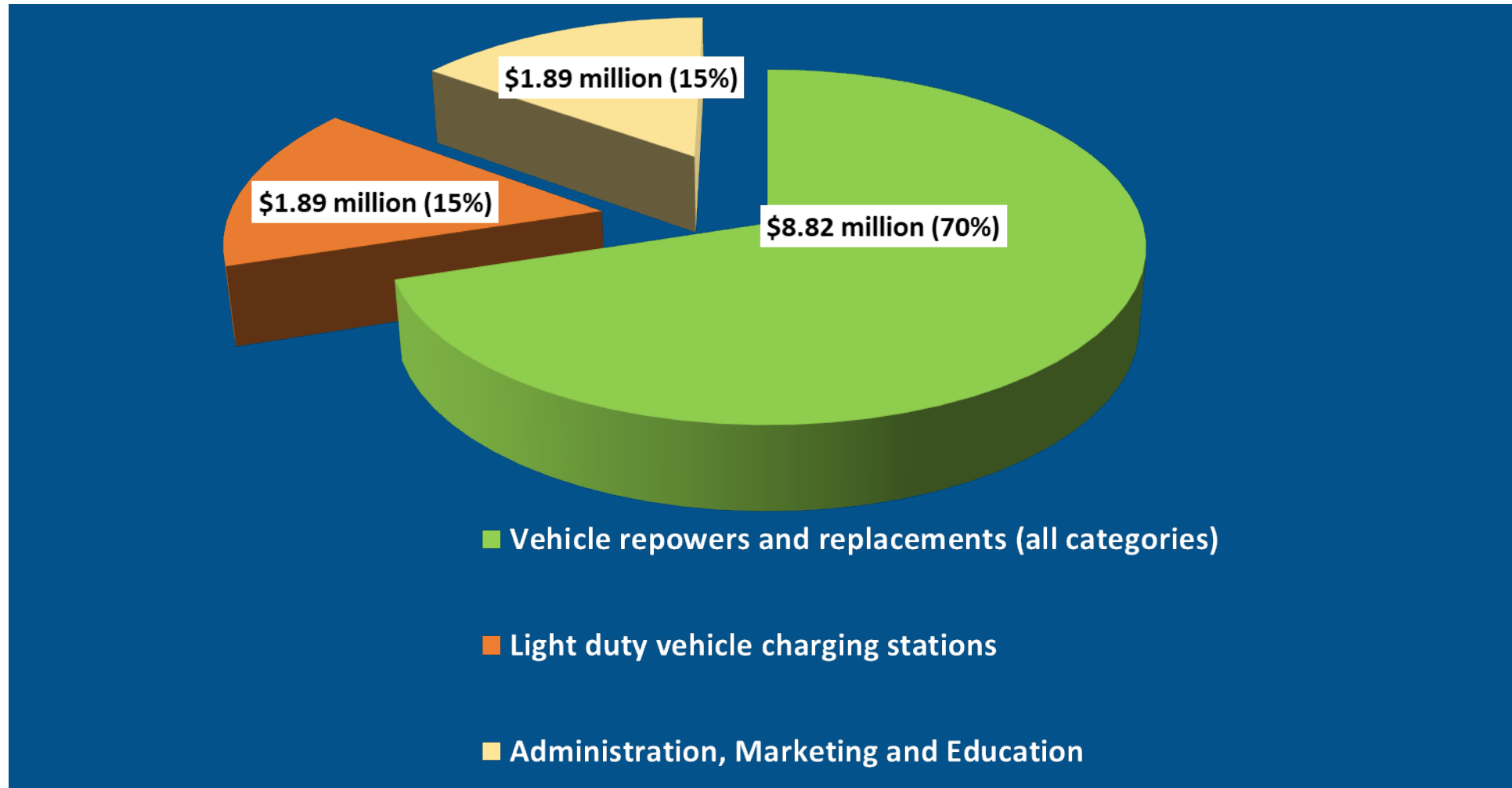
VW Settlement Funding

- \$12.6 million total for Montana
- Funding for:
 - Medium-Heavy Duty Diesel vehicle replacements and repowers
 - Light duty electric vehicle charging stations

Goals of the program

- Reduce mobile source NOx emissions
- Invest in clean alternative fuels and infrastructure
- Achieve long-term air quality benefits for the greatest number Montanans

Volkswagen Funding Budget Categories



Clean Truck, Bus & Airport Equipment Program

Purpose

Reduce mobile NOx emissions

Improve air quality

Support investments in zero-emission transportation

Goals

Achieve mobile source NOx emission reductions across Montana focusing on areas with the highest mobile source NOx emissions

Funding

Grants of up to \$500,000 per project but with maximum levels of cost share dependent on project costs

Eligible Projects – Categories A & B

Eligible on-road trucks include Class 4-8 (14,001 lbs. GVWR or greater) used for local freight or delivery. Eligible trucks may include, but not be limited to, waste haulers, dump trucks, street sweepers, courier services, delivery trucks, box trucks moving freight, and concrete mixers. Vehicles eligible for replacement shall have an engine model year of 1992-2009.

Eligible buses include Class 4-8 (14,001 lbs. GVWR or greater) shuttle buses or transit buses. Vehicles eligible for replacement shall have an engine model year of 1992-2009.

Technologies for Categories A & B	Costs Covered	Maximum DEQ Funding Share, not to exceed \$500,000	
		Government-Owned	Non-Government-Owned
Replace with new alternate fuel vehicle	Vehicle purchase	60%	25%
Replace with new diesel vehicle	Vehicle purchase	20%	20%
Replace with new all-electric vehicle	Vehicle purchase; purchase & installation of electric charging or fuel cell infrastructure	85%	75%

Eligible Projects – Category C

Eligible school buses include 2009 engine model year or older Class 4-8. School buses may only be replaced by all-electric buses.

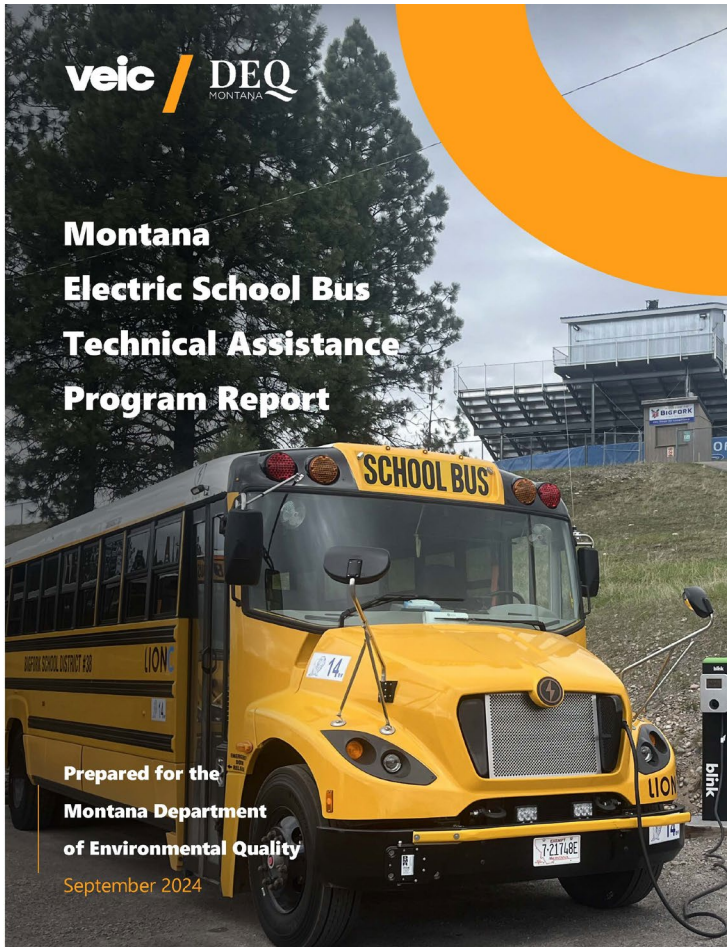
Technologies for Category C	Costs Covered	Maximum DEQ Funding Share, not to exceed \$500,000	
		Government-Owned	Non-Government-Owned
Replace with new all-electric vehicle	Vehicle purchase; purchase & installation of electric charging or fuel cell infrastructure	85%	75%

Eligible Projects – Category D

AGSE may only be replaced by all-electric AGSE. Eligible AGSE for replacement pertains to vehicles and equipment that are used at an airport to service aircraft between flights for at least the last 2 years and includes: Emission Tier 0, Tier 1, or Tier 2 diesel-powered airport GSE; and Uncertified, or certified to 3 grams/brake horsepower-hour (bhp-hr) or higher emissions, gasoline spark ignition engine-powered airport GSE.

Technologies for Category D	Costs Covered	Maximum DEQ Funding Share, not to exceed \$500,000	
		Government-Owned	Non-Government-Owned
Replace with new all-electric AGSE	AGSE purchase; purchase & installation of electric charging or fuel cell infrastructure	70%	50%

Electric School Buses in Montana



DEQ, in collaboration with VEIC, implemented the Electric School Bus (“ESB”) Technical Assistance Program to support the adoption of electric school buses in school transportation fleets across the state. The program involved school transportation providers in six communities – Bigfork, Billings, Clinton, East Helena, Fairfield, and Havre – each with state or federal grant funding to purchase ESBs and charging equipment. VEIC assisted with the deployment of ESBs at each of these communities by providing comprehensive technical support, evaluation, and reporting.

School Bus Fuel Type Comparison

Fuel/Engine Type	Upfront Cost	Fuel cost (\$/mile)	Fuel economy (mpg or mpge)	Annual GHG Emissions (tons)	Annual NOx Pollutants (pounds)
Diesel	~\$125K	\$0.52/mile	7.0	29.3	43.08
Gasoline	~\$125K	\$0.55/mile	5.8	34.9	11.17
Propane	~\$130K	\$0.58/mile	5.8	30.4	4.47
Battery Electric	\$350K-400K	\$0.20/mile	22.5	8.1	0

Garbage Truck Fuel Type Comparison

Fuel/Engine Type	Upfront Cost	Fuel cost (\$/mile)	Fuel economy (mpg or mpge)	Annual GHG Emissions (tons)	Annual NOx Pollutants (pounds)
Diesel	\$370,000	\$2.14/mile	1.7	188.1	148.9
CNG	\$405,000	\$2.05/mile	1.5	171.5	7.45
LNG	\$395,000	\$3.15/mile	1.5	178.8	7.45
Battery Electric	\$675,000	\$0.16/mile	6.2	46	0

Project Scoring Criteria

- A. NOx Emissions
- B. Achieve long-term air quality benefits for the greatest number of Montanans
- C. Invest in clean alternative fuels/infrastructure
- D. Project timeline
- E. Project budget
- F. Maintenance plan
- G. Previous funding

Application Submission Requirements

1. Completed DEQ Clean Truck, Bus & Airport Equipment **application form with signature**
2. **Letter(s) of Commitment from the applicant**
3. **Letter(s) of Commitment for match** from the applicant and from additional project funding partners (if applicable)
4. Copy of existing vehicle/AGSE **title** (if applicable)
5. Clear, legible photo of the **engine label** that captures the engine make, model, year, horsepower, serial number and engine family name for each vehicle/AGSE proposed for replacement
6. Clear, legible photo of the **VIN plate** (if applicable) that includes VIN and gross vehicle weight rating (GVWR) for each vehicle/AGSE proposed for replacement. If a VIN plate is not available, provide documentation of the GVWR.
7. **Three different bids** for the replacement vehicle/AGSE. If you are not able to provide three bids, please include a written explanation of the reason why.

Two-Phase Application Deadlines

- Draft applications must be submitted by **5:00 pm Mountain on December 5, 2025.**
- Draft application feed back will be provided by **January 9, 2026.**
 - Only entities that submit a draft application are eligible for the final application phase.
- DEQ will only consider applications during the final phase submitted via eMACS by **2:00pm on January 30, 2026.**

RFA Questions

- Questions during the draft application phase may be e-mailed before 5pm Mountain on December 5, 2025.
- After the final application phase opens on January 16, 2026, questions must be submitted to the eMACS Q&A. E-mailed questions will not be responded to.
- Answers to questions will be posted as soon as possible. The Q&A board will close for questions at 2pm on January 23, 2026.

Questions & Discussion

For questions about this
RFA, e-mail

Neal.Ullman@mt.gov

prior to December 5, 2025

Eligible Projects	Replacement of diesel class 4-8 trucks, buses, & airport ground support equipment
Application Deadlines	Draft Application Phase: <u>December 5, 2025</u> Final Application Phase: <u>January 30, 2026</u>
Project Completion Date	20 months after execution of grant contract
Funded by	Volkswagen Environmental Mitigation Trust
Total Funds Available	~\$3,000,000

Use the raise your hand function & unmute if you have a question. If you joined by phone, press *9 to raise your hand & *6 to unmute.

Please say your first & last name before asking your question.