

## Chapter 2

### Glossary

Terms as they are defined in Texas Health and Safety Code, Chapter 386, and the TCEQ rules (30 TAC 114.620) apply to this program, except as such terms are further defined and have the meanings as explained below.

**activity** Each individual purchase or lease, replacement, repower, retrofit of an on-road vehicle, non-road piece of equipment, locomotive, marine vessel, or stationary equipment. An activity also includes each purchase of on-vehicle infrastructure, on-site infrastructure, or qualifying fuel as may be specifically grouped as an activity by the TCEQ in the application forms and approved under a grant contract.

**activity life** The period used to determine the emissions reductions and cost-effectiveness of the activity. The minimum activity life for most projects is five years, although a longer minimum activity life may be established by the TCEQ for a particular grant-application period. For all on-road heavy-duty vehicle replacement, purchase, or lease activities, the activity life will be five years or more, or 400,000 miles, whichever occurs earlier. The TCEQ will establish a start date for each type of activity. For replacement and repower projects, the activity life usually begins as soon as the TCEQ has verified that proper disposal of the vehicle, equipment, or engine has occurred.

**cost-effectiveness** The total dollar amount expended divided by the total number of tons of reduced emissions of nitrogen oxides attributable to that expenditure. In calculating cost-effectiveness, one-time grants of money are annualized using a time value of public funds or discount rate determined for each project by the TCEQ, taking into account the interest rate on bonds, interest earned by state funds, and other factors the TCEQ considers appropriate. The current discount rate used to determine cost-effectiveness is 3% per year.

**incremental cost** The cost of an applicant's project, less a baseline cost that would otherwise be incurred by an applicant in the normal course of business. It may include added lease or fuel costs, as well as additional capital costs.

**motor vehicle** A self-propelled device designed for transporting persons or property on a public highway that is required to be registered under Texas Transportation Code Chapter 502.

**non-road equipment** A piece of equipment, excluding a motor vehicle or on-road heavy-duty vehicle, that is powered by a non-road engine, including non-road and non-recreational equipment and vehicles, construction equipment, industrial equipment, mining equipment, locomotives, marine vessels, and other categories of high-emitting engines.

**non-road engine** An internal combustion engine that is in or on a piece of equipment that is self-propelled or that propels itself and performs another function, excluding a vehicle that is used solely for competition, a piece of equipment that is intended to be propelled while performing its function, or a piece of equipment designed to be capable of being carried or moved from one location or another. In general, an engine that will stay at a single site for at least a full year will be considered a stationary engine, rather than a non-road engine. The TCEQ will make the final determination of the type of engine.

**on-road heavy-duty vehicle** An on-road motor vehicle that has a gross vehicle weight rating of 8,500 pounds or more. This definition does not include a vehicle over 8,500 pounds that is classified by the EPA as a medium-duty passenger vehicle subject to the federal light-duty on-road vehicle emission standards.

**person** An individual, corporation, organization, government or governmental subdivision or agency, business trust, partnership, association, or any other legal entity. This may include a corporation headquartered outside Texas that operates equipment or vehicles primarily in an eligible county in Texas.

**project** One or more activities approved by the TCEQ under one grant contract.

**qualifying fuel** Any liquid or gaseous fuel or additive that is ultimately dispensed into a motor vehicle, on-road heavy-duty vehicle, non-road equipment, or a stationary engine that reduces emissions of nitrogen oxides, as determined by the TCEQ, beyond reductions required by state or federal law.

**repower** To replace an old engine with a new engine, a used engine, a remanufactured engine, or one or more electric motors, drives, or fuel cells.

**retrofit** To equip an engine, a fuel system, or both with new emissions-reducing parts or technology after the manufacture of the original engine or fuel system.

**stationary engine** A machine used in non-mobile applications that converts fuel into mechanical motion, including turbines and other internal combustion devices. In general, a stationary engine is used either in a fixed application or in a portable (i.e., transportable) application in which it will stay at a single site for at least a full year (12 consecutive months). The TCEQ will make the final determination of the type of engine.

**Uniform Grant Management Standards (UGMS)** Standards issued by the Office of the Governor for use by state agencies in issuing and administering grants under the authority of the Uniform Grant and Contract Management Act, Texas Government Code, Chapter 783.