



Alternative Fuels Incentive Act Fund



pennsylvania
DEPARTMENT OF ENVIRONMENTAL
PROTECTION

Executive Summary

This Alternative Fuels Incentive Act Program Annual Report was prepared by The Department of Environmental Protection (DEP) for submission to the Environmental Resources and Energy Committees of the Senate and House of Representatives of the Pennsylvania General Assembly, respectively in accordance with state law. Pennsylvania is continuing its progress in growing a market for alternative fuels such as natural gas, propane, electricity and biofuels through the development of alternative fuel fleet vehicles, and alternative fuel storage and refueling systems. This report summarizes the activities involved in the administration of the alternative fuels incentive grant and alternative fuel vehicle programs; including the number of grants awarded, rebates given, as well as other expenditures and activities undertaken pursuant to the Alternative Fuels Incentive Act. This report also details the awards granted from the second and third rounds of the 2017 solicitation cycle. A listing of rebate awards, notable completed grant projects, and program and grant project expenditures during the July 1, 2016 to June 30, 2017 fiscal year are included in this report.

INTRODUCTION

DEP administers a grant and rebate program to promote the use of alternative fuels in Pennsylvania under the Alternative Fuels Incentive Act (Act of Nov. 29, 2004, P.L. 1376, No. 178). This program was originally created in 1992 and administered by the Pennsylvania Energy Office through Chapter 72 of the Vehicle Code. The Alternative Fuels Incentive Grant (AFIG) Program was expanded in 2004 and 2008. In addition, an Alternative Fuel Vehicle (AFV) Rebate Program was created.

PROGRAM OVERVIEW

The AFIG and AFV Rebate programs have helped to decrease Pennsylvania's dependence on imported oil and improve air quality by reducing vehicle emissions of carbon monoxide and particulate matter (the pollutants that contribute to the formation of ground-level ozone), as well as carbon dioxide (a principle greenhouse gas).

The AFIG Program has fostered economic development in Pennsylvania by encouraging the transfer and commercialization of innovative energy technologies and the use of the state's indigenous fuels. The fuels promoted by the program include ethanol, biodiesel, compressed and liquefied natural gas (CNG and LNG), hydrogen, hythane (a combination of compressed natural gas and hydrogen), liquefied petroleum or propane gas (LPG), electricity and fuels derived from coal and biomass.

The AFIG and AFV Rebate programs support DEP's objectives of reducing emissions from mobile sources to improve air quality and stimulating the use of domestically produced fuels. DEP has encouraged the development of partnerships among Pennsylvania businesses; the alternative fuel providers; and key local, state and federal government agencies to accomplish the objectives of the Alternative Fuels Incentive Act. The AFIG Program also offers compliance incentives to fleet operators impacted by the federal energy policy acts of 1992 and 2005.

The Alternative Fuels Incentive Act requires DEP to establish a formula and method to award AFIG Program grants. DEP is also required to establish a method to prioritize the grant applications to achieve identified goals and criteria, including the following:

1. The improvement of Pennsylvania's air quality.
2. The fulfillment of Pennsylvania's responsibilities under the Clean Air Act (69 Stat. 322, 42 U.S.C. § 7401 et seq.).
3. The protection of Pennsylvania's natural environment, including land, water and wildlife.
4. The advancement of economic development in Pennsylvania and the utilization of the state's indigenous resources.
5. The reduction of Pennsylvania's dependence on imported crude oil and other petroleum products.

6. The most cost-effective use of private and public funding.
7. The transfer and commercialization of innovative alternative energy technologies.

The AFIG and AFV rebate programs are funded with an annual allocation from the General Fund equal to 0.25 mills of the utilities' gross receipts tax, which has ranged between \$5 and \$6 million dollars annually over the years. Up to 1.5 percent of the funds may be used to administer these rebate programs, and up to 0.5 percent may be used for program education and public outreach. The unspent portion of the annual allocation does not lapse and can be used for projects on a continuing basis.

The Alternative Fuels Incentive Act provides incentive grants that pay a percentage of each applicant's eligible project costs. The remaining project costs are paid by the grantee from other sources.

In 2016, the AFIG program implemented a new competitive solicitation process whereby the opportunity to submit an application for grant funding remained open continuously throughout calendar year 2016.

Applications received during each submission period were collected from DEP's eGrants and evaluated after the end of each submission period. Submission period end dates were: April 29, 2016, August 26, 2016 (extended to September 9, 2016), and December 30, 2016.

In 2017, the AFIG program again used the competitive solicitation process whereby the opportunity to submit an application remained open continuously throughout the calendar year 2017. The first submission period was scheduled to end on July 14, 2017. The second submission period is scheduled to end December 15, 2017.

The following limitations may apply to the AFIG competitive solicitation and AFV rebate programs:

1. A single funding recipient can receive no more than 10 percent of the funds available in any one funding year.
2. The total dollar amount of awards to recipients operating within and including any county shall not exceed 15 percent of the funds available in any one funding year.
3. If the total funding to be awarded in a funding year is less than the amount available for that year, then DEP may increase the established 10 percent and the 15 percent funding levels in (1) and (2) above, not to exceed 40 percent of the fund.
4. DEP reserves the right to not award any additional funds to applicants that have not completed projects funded by the AFIG Program.
5. Applicants who have received grants and completed projects through the AFIG Program, but have failed to submit the proper reporting forms, may not be considered for funding.

2016-17 PROGRAM YEAR REVIEW

The following is a report on programs which were available during the period of this report, July 1, 2016 through June 30, 2017:

Alternative Fuel Incentive Grant Solicitation 2016

The 2016 Alternative Fuels Incentive Grant Program began accepting applications through the DEP eGrants system on February 20, 2016. The program remained open continuously through the 2016 calendar year, with three submission periods approximately four months in length, during which prospective applicants may submit applications for consideration. These submission periods ended April 29th, September 9th, with the final submission period ending on December 30th, 2016. Awarded projects for the second and third submission periods are detailed below. The AFIG program was open to applications for projects involving the purchase and/ or conversion of alternative fuel vehicles, projects resulting in the installation of alternative fuel refueling infrastructure, projects that promote innovative alternative fuel technology, and projects involving the incremental purchase of biofuel. After each submission period, AFIG staff evaluated all applications received to determine grant awards.

AFIG 2016 First Submission Period Awards Summary

This submission period and the awards made was detailed in the 2015-16 AFIG Annual Report.

AFIG 2016 Second Submission Period Awards Summary

The second submission period ended on September 9th, 2016 with a total of 29 applications submitted resulting in a total grant fund request of \$4,791,123. 19 applications were submitted in the Vehicle Retrofit and/or Purchase category, 1 application was submitted in the Innovative Technology category and 9 applications were submitted in the Refueling Infrastructure category. No applications were submitted in the Biofuel Use category. After evaluation by DEP staff, 16 projects were selected - totaling \$1,961,297 in grant funds awarded. The recommended projects included 12 Vehicle Retrofit and/or Purchase projects and 4 Refueling Infrastructure projects.

Vehicle Retrofit and/or Purchase Projects

- Total Number of Applications: **19**
- Number of Recommended Projects: **12**
 - Note: Two applications were ineligible
- Total Grant Request: **\$ 2,556,005**
- Amount of Funding Awarded: **\$1,227,840**
- Total Number of Vehicles Applied For: **268**
- Total Number of Awarded Vehicles: **165**
- Total Estimated Gasoline Gallon Equivalents saved per year: **1,797,086 (awards)**
- New Fueling Stations Supported: **7**
- Existing Fueling Stations Supported: **5**

Awardee: East Stroudsburg Area School District
Applicant Address: 50 Vine Street, East Stroudsburg, PA 18301
Project Site: 279 Timberwolf Court, Dingmans Ferry PA 18328; 2000 Milford Rd, East Stroudsburg, PA 18301
Project: ESASD Propane School Bus Conversion Initiative
County: Monroe
Award Total: \$200,000
Number of Vehicles: 52
Estimated GGE saved per year: 124,800
Project Description: The project is to convert the District's school buses to run on propane fuel. This project will convert 52 buses ranging from 72-passenger to 30-passenger buses. The grantee has also been given a Refueling Infrastructure award for their fueling station to support the District's fleet as well as potentially the Township municipal fleet and vehicles from neighboring school districts.

Awardee: United Parcel Service Inc.
Applicant Address: 55 Glenlake Parkway Atlanta, GA 30328
Project Site: 700 Blair Mill Rd, Horsham, PA 19044
Project: CNG Delivery Truck Project
County: Montgomery
Award Total: \$200,000
Number of Vehicles: 20
Estimated GGE saved per year: 462,963
Project Description: The project is to continue the conversion of UPS's Willow Grove vehicle operations to run on natural gas. This project will replace 20 class 8 tractors that run on diesel with 20 class 8 tractors that run on natural gas.

Awardee: City of Philadelphia
Applicant Address: 1401 JFK Blvd, Philadelphia, PA 19102
Project Site: 3901 North Delaware Ave, Philadelphia, PA 19137
Project: Advancing CNG in Philadelphia
County: Philadelphia
Award Total: \$200,000
Number of Vehicles: 10
Estimated GGE saved per year: 40,000
Project Description: The City of Philadelphia will purchase of 10 new CNG refuse haulers. This effort is in coordination with CMAQ award received earlier this year supporting the purchase of 25 new CNG refuse haulers along with the construction of a new CNG filling station by PGW.

Awardee: Xpress Natural Gas, LLC
Applicant Address: PO Box 408, Montrose, PA 18801
Project Site: Intersection of Lake Hill Road and North Road (SR 4007), Montrose, PA 18801
Project: Susquehanna County CNG Project
County: Susquehanna
Award Total: \$200,000
Number of Vehicles: 10
Estimated GGE saved per year: 384,615
Project Description: Xpress Natural Gas will purchase 10 CNG Vehicles in this project. XNG will use these vehicles to collect stranded gas from gathering systems in Susquehanna County,

compress and transport that gas to CNG public fueling for residents. The project includes a new station owned by the applicant.

Awardee: Pocono Mountain School District

Applicant Address: PO Box 200, 135 Pocono Mountain School Road, Swiftwater, PA 18370

Project Site: PMSD Sullivan Trail Campus, 402 Panther Lane, Pocono Summit, PA 18346

Project: Pocono Mountain School District Propane Bus Purchase

County: Monroe

Award Total: \$100,000

Number of Vehicles: 25

Estimated GGE saved per year: 70,079

Project Description: Pocono Mountain School District Board of Education will to purchase 25 new Propane Bluebird Vision 78 passenger school buses to replace conventional diesel buses with this award. The project will utilize the installation of new infrastructure for fuel supply, on the District's Sullivan Trail Campus.

Awardee: Bimbo Bakeries USA, Inc.

Applicant Address: 255 Business Center Drive, Horsham, PA 19044

Project Site: 1851 Loucks Rd York, PA 17404

Project: Retrofit of 20 Class 5 Delivery Vehicles

County: York

Award Total: \$150,000

Number of Vehicles: 20

Estimated GGE saved per year: 80,000

Project Description: Bimbo Bakeries will retrofit 20 existing gasoline class 5 delivery vehicles to dedicated propane fuel injection with this award. These vehicles would deliver goods and services in and around the York, PA region running solely on propane and fuel at the York Bimbo distribution center.

Awardee: School District of Hatboro-Horsham

Applicant Address: 229 Meetinghouse Rd, Horsham, PA 19044

Project Site: 224 Maple Ave, Horsham, PA 19044

Project: Hatboro-Horsham School District Propane Bus Conversion Initiative

County: Montgomery

Award Total: \$22,500

Number of Vehicles: 5

Estimated GGE saved per year: 7,500

Project Description: The Hatboro-Horsham School District will purchase 5 new propane school buses. The project will utilize the fueling infrastructure of their neighboring district Upper Moreland, to help fuel the buses.

Awardee: Worley & Obetz, Inc.

Applicant Address: 85 White Oak Road, Manheim, PA 17545

Project Site: 85 White Oak Road Manheim, PA 17545

Project: Worley & Obetz Propane Fleet

County: Lancaster

Award Total: \$15,900

Number of Vehicles: 4

Estimated GGE saved per year: 5,067

Project Description: Worley & Obetz will purchase 4 propane-powered vehicles to add to their current fleet of alternative-fueled vehicles.

Awardee: WallyPark Pennsylvania LLC

Applicant Address: 1 Scott Way, Lester, PA 19113

Project Site: 1 Scott Way, Lester, PA 19113

Project: WallyPark CNG Shuttle Bus Deployment

County: Philadelphia

Award Total: \$77,600

Number of Vehicles: 8

Estimated GGE saved per year: 43,733

Project Description: WallyPark Pennsylvania LLC will purchase 8 CNG shuttle buses.

Awardee: RMP Transportation Company, Inc.

Applicant Address: 67 Hoover Avenue, P.O. Box 1043, DuBois, PA 15801

Project Site: 67 Hoover Avenue, DuBois, PA 15801

Project: LPG Delivery Vehicles

County: Clearfield

Award Total: \$39,190

Number of Vehicles: 5

Estimated GGE saved per year: 19,159

Project Description: RMP will purchase or conversion of 5 trucks to be fueled by dedicated LPG. These vehicles will be added to an existing fleet of 9 LPG delivery trucks. Vehicles will be refueled primarily at an existing company-owned fuel hub in DuBois, PA.

Awardee: McCandless Township Sanitary Authority

Applicant Address: 422 Arcadia Drive Pittsburgh PA 15237

Project Site: 422 Arcadia Drive Pittsburgh PA 15237

Project: Phase II Bi-Fuel Conversion Program

County: Allegheny

Award Total: \$12,800

Number of Vehicles: 4

Estimated GGE saved per year: 5,121

Project Description: The McCandless Township Sanitary Authority will convert 4 vehicles to propane as part of a Phase II to their original AFIG Program. The Phase II project would allow the Authority to further refine its program and to justify the training of their in-house mechanics to service these conversion kits and trucks.

Awardee: Dandy Mini-Marts, Inc.

Applicant Address: 101 N Main St, STE 1, Athens, PA 18810

Project Site: 101 N Main St, STE 1, Athens, PA 18810

Project Site Legislative Districts: H_110 / Tina Pickett; S_023 / Gene Yaw

Project: CNG Vehicles

County: Bradford

Award Total: \$9,850

Number of Vehicles: 2

Estimated GGE saved per year: 3,775

Project Description: Dandy Mini-Marts will purchase 2 new vehicles that will be converted to CNG.

Refueling Infrastructure Projects

- Total Number of Applications: **9**
 - **6** Fleet Refueling Applications
 - **3** Home-Based Refueling Applications
- Number of Recommended Projects: **4**
 - Note: Two applications were ineligible
- Total Grant Request: **\$1,463,602**
- Amount of Funding Awarded: **\$733,457**

Awardee: East Stroudsburg Area School District

Applicant Address: 2000 Milford Rd, E Stroudsburg, PA 18301

Station Address: 2000 Milford Rd, E Stroudsburg, PA 18301; 279 Timberwolf Court, Dingmans Ferry, PA 18328

Project: East Stroudsburg Area School District Propane Station Initiative

County: Monroe

Award Total: \$180,000

Project Description: East Stroudsburg Area School District will build 2 propane refueling stations to fuel their first 52 propane school buses. The stations will continue to support the rest of the fleet as it is converted from diesel to propane buses and could potentially be used to support the township's municipal fleet vehicles and buses from other school districts. This refueling infrastructure project was awarded in conjunction with a vehicle purchase application.

Awardee: Tri-County Industries Inc.

Applicant Address: 159 TCI Park Dr. Grove City, PA 16127

Station Address: 159 TCI Park Dr. Grove City, PA 16127

Project: Tri-County Industries New Refueling Station

County: Mercer

Award Total: \$500,000

Project Description: Tri-County Industries, a waste hauler subsidiary of Vogel Holding, Inc., will construct an on-site CNG fueling station to allow fleet vehicles access to CNG fueling at their home location. This station will be owned by Tri-County Industries and will be available to the general public. This station will be used daily by a minimum of 10 fleet vehicles and potentially 10 waste collection vehicles.

Awardee: Worley & Obetz, Inc.

Applicant Address: 85 White Oak Road Manheim, PA 17545

Station Address: 30 Orchard Road Mount Joy, PA 17552

Project Site Legislative Districts: H_098 / David S. Hickernell; S_036 / Michael W. Brubaker

Project: Worley & Obetz Propane Fleet Fueling Station

County: Lancaster

Award Total: \$33,500

Project Description: Worley & Obetz, a central Pennsylvania fuels provider, will install a propane fueling station to service and refuel the company fleet of propane-powered vehicles and public propane-powered vehicles with access card. This project is part of a company plan to utilize alternative fuels, including propane Autogas for its service fleet and for the general public propane-powered vehicles

Awardee: DM Industries, Inc.

Applicant Address: 326 Center Street, St. Marys, PA 15857

Station Address: 261 Battery Street, St. Marys, PA 15857

Project: DM Industries, Inc. Refueling Project

County: Elk

Award Total: \$19,957

Project Description: DM Industries, a provider of mechanical insulation for commercial sites, will purchase equipment for a home refueling system located at 261 Battery Street, St. Mary, PA.

Innovative Technology

- Total Number of Applications: **1**
- Number of Recommended Projects: **0**
- Total Grant Request: **\$404,396**
- Funding Awarded: **\$0**

AFIG 2016 Round Three Awards Summary

The third submission period ended on December 30th, 2016 with a total of 27 applications submitted resulting in a total grant fund request of \$4,398,542. 15 applications were submitted in the Vehicle Retrofit and/or Purchase category, 1 application was submitted in the Innovative Technology category and 11 applications were submitted in the Refueling Infrastructure category. No applications were submitted in the Biofuel Use category. After evaluation by DEP staff, 17 projects were selected for funding for a total of \$1,999,126 in grant funding. The recommended projects included 12 Vehicle Retrofit and/or Purchase projects and 5 Refueling Infrastructure projects.

Vehicle Retrofit and/or Purchase Projects

- Total Number of Applications: **15**
- Number of Recommended Projects: **12**
 - Note: One application was ineligible
- Total Grant Request: **\$1,186,874**
- Amount of Funding Awarded: **\$945,124**
- Total Number of Vehicles Applied For: **117**
- Total Number of Awarded Vehicles: **102**
- Total Estimated Gasoline Gallon Equivalents saved per year: **648,799 (awards)**
- New Fueling Stations Supported: **6**
- Existing Fueling Stations Supported: **6**

Awardee: Xpress Natural Gas, LLC

Applicant Address: Po Box 408, Montrose, PA 18801

Project Site: Xpress Natural Gas, 3814 North Road, Montrose, PA 18801

Project: Forest Lake CNG Center

County: Susquehanna

Award Total: \$200,000

Number of Vehicles: 10

Estimated GGE saved per year: 384,610

Project Description: Xpress Natural Gas LLC will purchase of 10 CNG Freightliner tractors which will collect stranded gas from gathering systems in Susquehanna County and will compress and transport that gas out to market.

Awardee: River Valley Transit

Applicant Address: 1500 West Third Street, Williamsport, PA 17701

Project Site: 1550 West Third St., Williamsport, PA 17701

Project: Purchase of Ten (10) CNG Transit Vehicles

County: Lycoming

Award Total: \$200,000

Number of Vehicles: 10

Estimated GGE saved per year: 155,131

Project Description: River Valley Transit will to purchase 10 CNG 35' and 40' passenger buses as part of their conversion of their fleet of 29 fixed route transit vehicles from diesel fuel to CNG.

Awardee: Lower Merion School District

Applicant Address: 301 East Montgomery Avenue, Ardmore, PA 19003-3399

Project Site: 1165 Matson Ford Road, West Conshohocken, PA 19428-2651

Project: Maintaining a Green Fleet Legacy-Acquisition of Ten (10) Compressed Natural Gas Buses

County: Montgomery

Award Total: \$121,752

Number of Vehicles: 10

Estimated GGE saved per year: 22,908

Project Description: Lower Merion School District will purchase of 10 72-passenger CNG buses.

Awardee: UGI Utilities, Inc.

Applicant Address: 225 Morgantown Rd., Reading, PA 19611

Project Site: 2121 City Line Rd., Bethlehem, PA 18017; 262 Conestoga St., Lancaster, PA 17603

Project: UGI Utilities CNG Vehicle Acquisition

County: Northampton, Lancaster

Award Total: \$196,040

Number of Vehicles: 31

Estimated GGE saved per year: 20,447

Project Description: UGI Utilities, Inc. will acquire 31 CNG vehicles, including freightliner tractors, light duty Chevrolet trucks, and light duty Ford trucks and Transit vans, to be used out of their Lancaster and Bethlehem facilities. These acquisitions will be a mixture of CNG Dedicated and CNG Dual Fuel vehicles. CNG Fueling will take place at existing public accessible stations in both regions.

Awardee: City of Pittsburgh

Applicant Address: 414 Grant Street, Pittsburgh, PA 15219

Project Site: Second Avenue Parking Plaza, Pittsburgh, PA 15219

Project: Second Avenue Electric Vehicle Project

County: Allegheny

Award Total: \$80,000

Number of Vehicles: 10

Estimated GGE saved per year: 3,973

Project Description: The City of Pittsburgh will purchase 10 Nissan Leaf EVs as part of their goal to operate a fossil fuel free fleet by 2030. This project is the first part in the conversion of the Bureau of Permits, Licensing and Inspections fleet, currently made up of 50 Ford Focus sedans.

Awardee: Centennial School District

Applicant Address: 433 Centennial Rd, Warminster, PA 18974

Project Site: 305 W. Street Rd., Warminster, PA 18974

Project: The Centennial School District Propane School Bus Conversion Project

County: Bucks

Award Total: \$44,000

Number of Vehicles: 10

Estimated GGE saved per year: 11,250

Project Description: The Centennial School District Propane School Bus Conversion Project will convert 10 buses to propane fuel. This is first part of their effort to convert their 76 school buses to run on propane. The 10 buses in this project range from 72 passenger to 30 passenger buses. The school district was also awarded a grant for a refueling infrastructure project in this round.

Awardee: Philadelphia Parking Authority

Applicant Address: 701 Market Street, Suite 5400, Philadelphia, PA 19106

Project Site: 800 Arch Street, Philadelphia, PA 19106

Project: Purchase Alternative Fuel Vehicles for the Philadelphia Parking Authority

County: Philadelphia

Award Total: \$10,000

Number of Vehicles: 2

Estimated GGE saved per year: 2,000

Project Description: The Philadelphia Parking Authority will purchase 2 Nissan Leaf EVs for use in their Off Street Division's Downtown / Center City Garages in Philadelphia. This is the first part in the purchase of a fleet of new, dedicated, alternative fuel (all electric) vehicles. The Authority was also awarded a second vehicle grant and two refueling infrastructure grants.

Awardee: Philadelphia Parking Authority

Applicant Address: 701 Market Street, Suite 5400, Philadelphia, PA 19106

Project Site: 1 Main Toll Plaza, Philadelphia, PA 19153

Project: Purchase Alternative Fuel Vehicles at the Philadelphia International Airport

County: Philadelphia

Award Total: \$10,000

Number of Vehicles: 2

Estimated GGE saved per year: 914

Project Description: The Philadelphia Parking Authority will purchase 2 Nissan Leaf EVs for use in their Airport Operations Division at the Philadelphia International Airport. This is the first part in the purchase of a fleet of new, dedicated, alternative fuel (all electric) vehicles.

Awardee: A&M Transit Company

Applicant Address: P.P. Box 331, Ebensburg, PA 15931-0331

Project Site: 1512 Park Road, Claysburg, PA 16625

Project: Claysburg Propane Bus Purchase

County: Blair

Award Total: \$19,982
Number of Vehicles: 6
Estimated GGE saved per year: 21,135
Project Description: A&M Transit will convert 6 72-passenger diesel school buses to propane.

Awardee: School District of Haverford Township
Applicant Address: 50 E Eagle Road, Haverford, PA 19083
Project Site: 50 Hilltop Rd, Havertown, PA 19083
Project: The Haverford School District Propane School Bus Conversion Project
County: Delaware
Award Total: \$40,000
Number of Vehicles: 10
Estimated GGE saved per year: 23,354
Project Description: The Haverford School District will convert 10 diesel buses, 7 72-passenger and 3 48-passenger buses, to utilizing propane as fuel.

Awardee: Wilson of Wallingford, Inc.
Applicant Address: 221 Rogers Lane, Wallingford, PA 19086
Project Site: 221 Rogers Lane, Wallingford, PA 19086
Project: Fleet expansion
County: Delaware
Award Total: \$7,350
Number of Vehicles: 2
Estimated GGE saved per year: 3,077
Project Description: Wilson of Wallingford will purchase two bi-fuel propane Ford Transit trucks. The applicant's in-house vehicles are wrapped in an advertisement that promotes Alternative Fuel.

Awardee: Scheeren Insurance Group Inc.
Applicant Address: 343 Main Street, Ford City, PA 16226
Project Site: 343 Main Street, Ford City, PA 16226
Project: Teach green to our teens, our future
County: Armstrong
Award Total: \$16,000
Number of Vehicles: 2
Estimated GGE saved per year: 667
Project Description: Scheeren Insurance group will purchase 2 Nissan Leaf Battery Electric Vehicles.

Refueling Infrastructure Projects

- Total Number of Applications: **11**
 - **11** Fleet Refueling Applications
- Number of Recommended Projects: **5**
- Total Grant Request: **\$2,732,462**
- Amount of Funding Awarded: **\$1,054,002**

Awardee: City of Pittsburgh
Applicant Address: 414 Grant Street, Pittsburgh, PA 15219
Station Address: 1250 Second Avenue, Pittsburgh, PA 15219

Project: Second Avenue Charging Infrastructure Project

County: Allegheny

Award Total: \$175,000

Project Description: The City of Pittsburgh will purchase a five dual-hose, mobile, solar powered charging units with battery storage to be housed at the Second Avenue Parking Lot and power the City's fleet at night. The chargers will be open to the public during the day and available to deploy to communities in times of extended grid failure.

Awardee: Centennial School District

Applicant Address: 433 Centennial Rd, Warminster, PA 18974

Station Address: Centennial School District, 305 W. Street Rd., Warminster, PA 18974

Project: The Centennial School District Propane Refueling Project

County: Bucks

Award Total: \$292,338

Project Description: The Centennial School District Propane Refueling Project will build a propane refueling stations to fuel their first 10 propane school buses. The project will continue to supply fuel for the remainder of District's 66 buses as they are converted.

Awardee: Mobile Fueling Solutions

Applicant Address: 89 Headquarters Plaza North- suite 1442, Morristown, NJ 07960

Station Address: Mobile Fueling Solutions @ TransNet 726 Fitzwatertown Rd, Willow Grove, PA 19090 and AAA Mid-Atlantic 7777 Brewster Ave, Philadelphia, PA 19153

Project: Mobile Fueling Solutions for CNG

County: Montgomery and Philadelphia

Award Total: \$500,000

Project Description: This project for Mobile Fueling Solutions for CNG will result in the construction of 2 "Virtual Pipeline" mobile CNG fueling units.

Awardee: Philadelphia Parking Authority

Applicant Address: 701 Market Street, Suite 5400, Philadelphia, PA 19106

Station Address: 1503-11 Arch Street, 44 North 9th Street, 41 N 6th Street, and 801 Filbert Street, Philadelphia, PA 19106

Project: Proposed EV Charging Stations at Four Center City Garages

County: Philadelphia

Award Total: \$43,332

Project Description: The Philadelphia Parking Authority will install four (4) new electric vehicle charging stations at four center city garages in Philadelphia.

Awardee: Philadelphia Parking Authority

Applicant Address: 701 Market Street, Suite 5400, Philadelphia, PA 19106

Station Address: 8500 Essington Avenue, Philadelphia, PA 19153

Project Site Legislative Districts: H_185 / Marie P. Donatucci; S_001 / Lawrence M. Farnese;

Project: Proposed EV Charging Stations at the Philadelphia International Airport

County: Philadelphia

Award Total: \$43,332

Project Description: The Philadelphia Parking Authority will install four (4) new electric vehicle charging stations at four center city garages in Philadelphia.

Innovative Technology

- Total Number of Applications: **1**
- Number of Recommended Projects: **0**
- Total Grant Request: **\$479,206**
- Funding Awarded: **\$0**

AFIG 2016-2017 Project Summary

Between July 1, 2016 and June 30, 2017, the AFIG program had 31 projects that were successfully completed by grantees. These projects expended \$3,187,853.23 in grant funds and resulted in a leveraged grantee cost share of \$3,645,493.70. The completed vehicle purchase and/or retrofit projects resulted in the purchase or conversion of 414 alternative fuel vehicles which are estimated to displace 1.5 million GGE per year. A total of 11 new and 23 existing alternative fuel stations are supported by these projects. The projects completed in 2016-17 are as follows:

Project Name	Grantee	Project Type	Total Amount Reimbursed
Joint Application for CNG Vehicles in Jefferson and Armstrong Counties	"O" Ring CNG Fuel Systems, L.P.	Vehicle Purchase and/or Retrofit	\$80,340.33
Air Products Hydrogen Fueling Station 70MPa Upgrade	Air Products and Chemicals, Inc.	Innovative Technology	\$209,046.00
Pittsburgh Electric Limousine Deployment Project	Air Star Transportation & Limousine Service, Inc	Vehicle Purchase and/or Retrofit	\$30,000.00
AC Linen CNG Deployment Project	Atlantic City Linen Supply LLC	Vehicle Purchase and/or Retrofit	\$52,137.50
Bradford County CNG Vehicles	Bradford County Commissioners	Vehicle Purchase and/or Retrofit	\$59,872.00
Centre County Light Weight NGV Program 2013	Centre County Commissioners	Vehicle Purchase and/or Retrofit	\$64,673.97
Clean Energy CNG Conversion Initiative	Clean Energy, DBA Clean Energy Inc.	Vehicle Purchase and/or Retrofit	\$27,120.00
CBSI Alt. (Alternative) Fuels	Clepper Bus Service, Inc.	Vehicle Purchase and/or Retrofit	\$44,041.58
Compressed Natural Gas Trucks for Quaker CNG Fueling Terminal	Compass Natural Gas Partners, LP	Vehicle Purchase and/or Retrofit	\$40,000.00
Montgomery County Alternative Vehicle Purchase Project	County of Montgomery	Vehicle Purchase and/or Retrofit	\$80,340.33
City of Lancaster Fleet Conversion	Fleet Energy America, Inc.	Vehicle Purchase and/or Retrofit	\$11,372.50
Francis J. Palo, Inc. Company Fleet	Francis J. Palo, Inc.	Vehicle Purchase and/or Retrofit	\$16,297.00
The Southeastern PA CNG Vehicle Conversion Initiative	Greater Philadelphia Clean Cities, Inc.	Vehicle Purchase and/or Retrofit	\$205,176.00
The Eastern Pennsylvania Propane School Bus Conversion Initiative	Greater Philadelphia Clean Cities, Inc.	Vehicle Purchase and/or Retrofit	\$185,000.00
Rhoads Energy Propane Autogas Fleet Project	Jerome H. Rhoads, Inc. DBA Rhoads Energy Corporation	Vehicle Purchase and/or Retrofit	\$41,762.61

Project Name	Grantee	Project Type	Total Amount Reimbursed
Propane Bi-Fuel Conversion Program	McCandless Township Sanitary Authority	Vehicle Purchase and/or Retrofit	\$17,065.00
Company Gas Autos to Company Electric Autos	Nelson Business Enterprises, Inc.	Vehicle Purchase and/or Retrofit	\$33,604.50
Joint Application for Alternative Fuel Vehicles in Jefferson and Clearfield Counties	O Ring CNG Fuel Systems, LP	Vehicle Purchase and/or Retrofit	\$37,238.00
Delivery Truck Propane Conversion	Osterman Propane LLC DBA Atlantic Coast Propane	Vehicle Purchase and/or Retrofit	\$200,362.96
CNG Vehicles for Philadelphia Gas Works	Philadelphia Gas Works	Vehicle Purchase and/or Retrofit	\$84,000.00
Western Pennsylvania Alternative Fuel School Bus Program	Pittsburgh Region Clean Cities, Inc.	Vehicle Purchase and/or Retrofit	\$250,000.00
PPL Electric Vehicle Purchase 2015	PPL Electric Utilities Corporation	Vehicle Purchase and/or Retrofit	\$116,100.00
Shiple Energy Propane Small Vehicle Fleet Conversions	Shiple Energy Company	Vehicle Purchase and/or Retrofit	\$24,482.50
Fedex Ground CNG Conversion Project	Skytop, Inc.	Vehicle Purchase and/or Retrofit	\$10,000.00
Willow Grove CNG Vehicle Conversion Project	United Parcel Service	Vehicle Purchase and/or Retrofit	\$200,000.00
UPMC CNG Bus Project, Phase II	UPMC	Vehicle Purchase and/or Retrofit	\$249,984.00
Upper Moreland Township School District Propane Fueling Station Project	Upper Moreland Township School District	Refueling Infrastructure	\$458,197.00
Upper Moreland Township School District Propane School Bus Conversion Project	Upper Moreland Township School District	Vehicle Purchase and/or Retrofit	\$146,033.50
Bradford County CNG Partnership	Valley Energy, Inc	Vehicle Purchase and/or Retrofit	\$22,875.00
VNG Program for VNG.CO LLC	VNG Co. LLC	Vehicle Purchase and/or Retrofit	\$137,402.95
VNG Program II Project	VNG Co. LLC	Vehicle Purchase and/or Retrofit	\$53,328.00

Note: Between July 1, 2016 and June 30, 2017 one AFIG awardee, Shiple Energy, requested termination of their grant project as they were unable to complete their project. No funds were expended by the project granted termination by the AFIG program. The reasons for this request was inability to acquire vehicles and/or equipment in a reasonable timeframe.

Alternative Fuels Incentive Grant Program Recent Success Stories

Pocono Mountain School District, Monroe County – Pocono Mountain School District is the largest school district in northeast PA, serving eight municipalities and a population of 55,000. The district was awarded a grant for \$100,000 covering 50% of the incremental cost for 25 Liquid Propane Gas (LPG) school buses. These buses, purchased in August 2016, replaced 25 conventional diesel buses and represents the first scheduled replacements in their fleet of 150 buses. The district plans to replace the remainder of their fleet at 25 buses per year. The project involved the construction of a new fueling facility on District property owned by Sharp Energy but used exclusively by the District. Total project cost of the vehicles was \$2,267,500. The vehicles were deployed at the end of August, 2016, and operated through the school year. Total fuel savings for the school year were 59,930 gallons of diesel fuel displaced. Over the planned seven-year lifespan of these vehicles, that represents a potential total displacement of 419,510 gallons of diesel.



United Parcel Service, Montgomery County - United Parcel Service was awarded a grant for \$200,000 for the purchase of 20 Compressed Natural Gas (CNG) tractors. While UPS has done a Natural Gas Energy Development project with DEP, this was the first AFIG award and project done at the Willow Grove Location. These vehicles, purchased in September 2016 utilize a new CNG station built at this location. UPS plans to deploy additional CNG vehicles at this location. Total project cost of the vehicles was \$2,602,740. They are estimated to displace approximately 460,000 gallons of diesel per year and between deployment in September of 2016 and full project closeout in June 2017 had displaced 152,000 gallons with a to date savings cost of \$114,000. Over an estimated 10-year lifespan of these vehicles that represents a potential displacement of 4.7 million gallons of diesel.



Alternative Fuels Incentive Grant Fuel Usage Summary

Since the program was revised in 2013, the Alternative Fuel Incentive Grant Program has reimbursed 61 grantees for the purchase or conversion of 551 vehicles totaling over \$3.1 million in program funds disbursed. The 551 vehicles are estimated to be displacing over 1.7 million gasoline gallon equivalents per year. Over \$7.3 million in additional incremental costs have been expended by grantees during the purchase of alternative fuel vehicles due to the incentives provided by the AFIG program.

Follow-up annual fuel reports are being collected from grantees once they have completed their projects to determine actual performance and savings. This data gathering is not completed to report at this time.

Alternative Fuels Vehicle Rebate Program

The AFV Rebate Program supports Pennsylvania residents who purchase a new qualified alternative fuel vehicle which is registered in Pennsylvania and powered by CNG, electricity, fuel cells (FC) or LPG. Since 2011, the program has approved provided a total of over \$7.1 million in rebate funds to 3205 Pennsylvania residents.

This year, DEP approved 792 rebates for alternative fuel vehicles purchased and then registered in Pennsylvania from July 1, 2016 through June 30, 2017 resulting \$1,354,000 in rebate reimbursements during this time period. 792 represents an increase of 178 rebates processed compared to FY 2015-16.

The Rebate program was updated in March of 2017 to a new rebate structure based on vehicle battery capacity. Further updates to the program will be made in the 2017-18 fiscal year.

From March 18, 2017 to June 30, 2017 the following rebates were offered:

Electric and Electric Hybrids

- \$1,750 rebate for a Plug-In Hybrid Electric Vehicle (PHEV) or Battery Electric Vehicle (EV) battery system capacity equal/greater than 20 kWh.
- \$1,000 rebate for a PHEV or EV battery system capacity between 10 kWh and 20 kWh.
- \$750 rebate for a PHEV or EV battery system capacity less than 10 kWh.
 - Note: All rebate levels can include: electric motorcycles, electric ATVs and low speed electric vehicles if registered in Pennsylvania

CNG and Propane

- \$1,000 rebate for a Natural Gas (CNG) fueled vehicle
- \$1,000 rebate for a Propane (LPG) fueled vehicles
 - Note: Rebates for CNG and Propane include both new vehicles and original equipment manufacturer certified retrofits.

Hydrogen

- \$1,000 rebate for a Hydrogen and/or Fuel Cell (FC) vehicles.

July 1, 2016 - March 18, 2017

Project	No. Of Rebates	Rebate Amount
Electric Motor Cycles	3	\$1,500
Electric Vehicle (capacity < 10kWh)	0	\$0
Electric Vehicle (capacity >= 10kWh)	363	\$ 726,000
PHEV (capacity < 10kWh)	76	\$76,000
PHEV (capacity >= 10kWh)	113	\$226,000
Totals	555	\$1,029,500

March 19, 2017 - June 30, 2017

Project	No. Of Rebates	Rebate Amount
Electric Motor Cycles	3	\$ 1,500
Electric Vehicle (capacity < 10kWh)	0	\$0
Electric Vehicle (capacity 10kWh-20kWh)	0	\$0
Electric Vehicle (capacity > 20 kWh)	136	\$238,000
PHEV (capacity < 10kWh)	52	\$39,000
PHEV (capacity 10kWh-20kWh)	46	\$46,000
PHEV (capacity > 20kWh)	0	\$0
Totals	237	\$324,500

Alternative Fuels Technical Assistance Program

The Alternative Fuels Technical Assistance (AFTA) program was initiated in January 2017 as a means to provide technical support to eligible entities, including municipalities, school districts, municipal authorities, and non-profits, for the purpose of helping those organizations develop cost-effective alternative fuel solutions for their fleets. An alternative fuels contractor, Eastern PA Alliance for Clean Transportation (EP-ACT), was awarded a \$48,000 contract using funds from the Alternative Fuels Incentive Fund. Nine eligible organizations applied to DEP for technical assistance under the AFTA, and DEP assigned EP-ACT to perform the technical support. 5 of the analyses were completed by the end of the contract date of 9/30/17. These reports will be accessible through the AFIG website. A final report was submitted to DEP for each project. Three additional projects will be rolled into a second round of AFTA, which is scheduled to start in November, 2017 with a new contractor. The five reports with alternative

fuel recommendations were generated at an expense from the fund of \$22,500 for the following organizations:

- Capital Region Water
- Central Bucks EMS
- Kennett Square Borough
- Indiana Borough
- Suburban Transit Network

DEP plans to follow up with these organizations into 2018 to monitor their progress in implementing the contractor recommendations.

**STATEMENT OF REVENUES AND EXPENDITURES
ALTERNATIVE FUELS INCENTIVE GRANT FUND
As of June 30, 2017**

Beginning Balance - July 1, 2016	\$20,702,244
Cycle 23 Revenue - Transfer made in May 2017	\$5,406,508
<u>Expenditures</u>	
Personnel:	-\$84,739
Operating:	-\$6,793
Grants:	-\$2,240,813
Rebates:	-\$1,364,750
Non-Expense (Transfer)**	-\$5,020,000
Total Expenditures:	-\$8,717,095
Ending Balance - June 30, 2017	\$17,391,656

** \$5,000,000 transferred to General Fund in July 2016

** \$20,000 E-Grants expense in July 2016

The fund balance of **\$17,391,656** on June 30, 2017, contained:

- \$4,671,175 of committed grant contract obligations,
- \$3,618,901 of grant awards awaiting to be committed into grant contracts,
- \$1,500,000 of programmatic set aside for rebate payments,
- \$ 150,000 in planned operational costs,

This results in a current uncommitted balance of **\$7,451,580**.

Note: **\$5,406,508** of the uncommitted balance was only recently received into the AFIG account as revenue in May 2017.

2016-2017 ACTIVE PROJECTS

The following are current/active AFIG projects as of October 2017:

Alternative Fuels Incentive Grant Program 2013

Project Name	Funding Recipient	County	Project Status	Total Grant Funding	Total Amount Invoiced	Expected Completion Date	% Complete
LTV Natural Gas Fleet purchase	L.T. Verrastro, Inc.	Lackawanna	In Closeout	\$135,461	\$113,238	06/01/2017	100%
Natural Gas/Diesel Dual Fuel Locomotive	GE Transportation	Erie, Mercer	In Progress	\$1,000,000	\$285,000	02/28/2018	75%

Alternative Fuels Incentive Grant Program 2014

Project Name	Funding Recipient	County	Project Status	Total Grant Funding	Total Amount Invoiced	Expected Completion Date	% Complete
CNG vehicle procurement	Cambria County Transit Authority	Cambria	In Progress	\$75,000	\$37,500	11/15/2017	50%
Demonstration and Pilot Production of All-Climate Battery for Electric Vehicles	Pennsylvania State University	Centre	In Progress	\$525,000	\$274,335	12/31/2017	60%
Rev LNG SSL TR	Rev LNG, LLC	Lycoming	In Progress	\$800,000	\$405,000	11/01/2017	35%
Tinicum Township Propane Vehicle Conversion Initiative	Greater Philadelphia Clean Cities, Inc.	Delaware	In Progress	\$238,700	\$79,653	12/30/2017	45%
Western Pennsylvania Alternative Fuel Vehicle Program	Pittsburgh Region Clean Cities, Inc.	Allegheny, Beaver, Butler, Cambria, Erie, Warren, Washington, Westmoreland	In Progress	\$216,192	\$126,587	12/30/2017	55%

Alternative Fuels Incentive Grant Program 2016 Round 1

Project Name	Funding Recipient	County	Project Status	Total Grant Funding	Total Amount Invoiced	Expected Completion Date	% Complete
E & B Transportation Company Propane School Bus Fleet	E & B Transportation Co.	Adams	In Progress	\$22,500	\$9,000	02/28/2018	30%
Electric Vehicle-Grid-Integration	Partnerships One, LLC	Philadelphia	In Progress	\$250,300	\$30,247	5/30/2018	20%

Alternative Fuels Incentive Grant Program 2016 Round 2

Project Name	Funding Recipient	County	Project Status	Total Grant Funding	Total Amount Invoiced	Expected Completion Date	% Complete
Advancing CNG in Philadelphia	City of Philadelphia	Philadelphia	Grant Execution	\$200,000	\$0	3/7/2018	0%
CNG Delivery Truck Project	United Parcel Service, Inc.	Montgomery	In Progress	\$110,000	\$0	3/7/2018	0%
DM Industries, Inc. Refueling Project	DM Industries, Inc.	Elk	In Progress	\$19,957	\$0	3/31/2018	5%
East Stroudsburg Area School District Propane Station Initiative	East Stroudsburg Area School District	Monroe, Pike	In Progress	\$180,000	\$0	08/26/2018	95%
ESASD Propane School Bus Conversion Initiative	East Stroudsburg Area School District	Monroe, Pike	In Progress	\$200,000	\$0	3/7/2018	95%
LPG Delivery Vehicles	RMP Transportation Company, Inc.	Clearfield	In Progress	\$39,190	\$0	3/7/2018	10%
Phase II - Propane Bi-Fuel Conversion Program	McCandless Township Sanitary Authority	Allegheny	In Progress	\$12,800	\$6,400	3/7/2018	50%
Purchase of 20 New Class 5 Delivery Vehicles	Bimbo Bakeries Usa, Inc.	York	In Progress	\$150,000	\$0	3/7/2018	0%

Alternative Fuels Incentive Grant Program 2016 Round 2

Project Name	Funding Recipient	County	Project Status	Total Grant Funding	Total Amount Invoiced	Expected Completion Date	% Complete
Susquehanna County CNG Project	Xpress Natural Gas	Susquehanna	Grant Execution	\$200,000	\$0	3/7/2018	0%
Tri-County Ind - New Refueling Station	Tri-County Industries Inc.	Mercer	In Progress	\$500,000	\$0	09/09/2018	0%
Wallpark CNG Shuttle Bus Deployment	WallyPark Pennsylvania LLC	Delaware, Philadelphia	In Progress	\$77,600	\$0	3/7/2018	0%
Worley & Obetz Propane Fleet Fueling Station	Worley & Obetz, Inc.	Lancaster	In Progress	\$33,500	\$0	04/01/2017	0%

Alternative Fuels Incentive Grant Program 2016 Round 3

Project Name	Funding Recipient	County	Project Status	Total Grant Funding	Total Amount Invoiced	Expected Completion Date	% Complete
Fleet expansion - Wilson of Wallingford, Inc.	Wilson of Wallingford Inc.	Delaware	In Closeout	\$7,350	\$0	4/27/2018	100%
Maintaining a Green Fleet Legacy- Acquisition of Nine (9) Compressed Natural Gas Buses	Lower Merion School District	Montgomery	In Progress	\$121,752	\$0	11/01/2017	0%
Mobile Fueling Solutions for CNG	Mobile Fueling Solutions	Bucks, Carbon, Dauphin, Lackawanna, Lancaster, Lehigh, Luzerne, Monroe, Northampton, Philadelphia, Pike	Grant Execution	\$500,000	\$0	3/7/2019	0%

Alternative Fuels Incentive Grant Program 2016 Round 3

Project Name	Funding Recipient	County	Project Status	Total Grant Funding	Total Amount Invoiced	Expected Completion Date	% Complete
Proposed EV Charging Stations at Four Center City Garages	Philadelphia Parking Authority	Philadelphia	Grant Execution	\$43,332	\$0	3/7/2019	0%
Proposed EV Charging Stations at the Philadelphia International Airport	Philadelphia Parking Authority	Philadelphia	Grant Execution	\$43,332	\$0	3/7/2019	0%
Purchase Alternative Fuel Vehicles at the Philadelphia International Airport	Philadelphia Parking Authority	Philadelphia	Grant Execution	\$10,000	\$0	3/7/2019	0%
Purchase Alternative Fuel Vehicles for the Philadelphia Parking Authority	Philadelphia Parking Authority	Philadelphia	Grant Execution	\$10,000	\$0	4/27/2018	0%
Purchase of Ten (10) CNG Transit Vehicles	Williamsport Bureau of Transportation	Lycoming	In Progress	\$200,000	\$40,000	4/27/2018	60%
Second Avenue Charging Infrastructure Project	City of Pittsburgh	Allegheny	Grant Execution	\$175,000	\$0	3/7/2019	0%
Second Avenue Electric Vehicle Project	City of Pittsburgh	Allegheny	Grant Execution	\$80,000	\$0	4/27/2018	0%
Teach green to our teens, our future	Scheeren Insurance Group	Armstrong	Grant Execution	\$16,000	\$0	4/27/2018	0%

Alternative Fuels Incentive Grant Program 2016 Round 3

Project Name	Funding Recipient	County	Project Status	Total Grant Funding	Total Amount Invoiced	Expected Completion Date	% Complete
The Centennial School District Propane Refueling Project	Centennial School District	Bucks	In Progress	\$292,338	\$0	03/30/2018	0%
The Centennial School District Propane School Bus Conversion Project	Centennial School District	Bucks	In Progress	\$44,000	\$0	4/27/2018	0%
The Haverford School District Propane School Bus Conversion Project	School District of Haverford Township	Delaware, Montgomery	In Progress	\$40,000	\$0	12/30/2017	0%
UGI Utilities CNG Vehicle Acquisition	UGI Utilities, Inc.	Lancaster, Northampton	In Progress	\$179,540	\$0	06/30/2018	0%



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DEPARTMENT OF ENVIRONMENTAL
PROTECTION

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POLICY OFFICE

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