

Propane Autogas Incentive Programs

Mike Jones, Transportation Manager/ Clean Cities Coordinator

May 25, 2017

Propane & Biodiesel Pupil Transportation Workshop- Landover, MD



Maryland
Energy
Administration

Presentation Outline

1. About MEA/Clean Cities
2. Propane Programs
 1. Vehicles
 2. Infrastructure
3. VW Settlement



About MEA

MEA's mission is to assist Maryland citizens and businesses save money through smart investments in energy efficiency, renewable energy and conservation. MEA fuels the creation of green jobs by providing funds and resources to expand the use and availability of clean, safe energy in Maryland.

www.energy.maryland.gov



About Clean Cities

The U.S. Department of Energy's (DOE's) Clean Cities program advances the nation's economic, environmental, and energy security by supporting local actions to cut petroleum use in transportation. Part of DOE's Vehicle Technologies Office, Clean Cities has saved more than 7.5 billion gallons of petroleum since its inception in 1993.

<https://cleancities.energy.gov/>



"Accelerating Maryland's
Future"

Freedom Fleet Vehicle Voucher Program (FFVP)

- Incentives: 50% of incremental cost up to caps based on Gross Vehicle Weight (GVW)
- Technology neutral
- Vehicles must operate in MD and report data for 3 years
- 466 awards issued totaling over \$4 million
- Estimated annual petroleum displacement: over 2 million gallons
- Leveraged over \$45 million in private investment



GVW (lbs)	Incentive Amounts					
	Natural Gas	Propane	Electric*	Hybrid Electric	Hydraulic Hybrid	Hydrogen
Up to 8,500	\$3,000	\$3,000	\$0	\$0	\$0	\$5,000
8,501 -14,000	\$5,000	\$5,000	\$12,000	\$10,000	\$20,000	\$25,000
14,001 - 26,000	\$12,000	\$12,000	\$20,000	\$12,000	\$20,000	\$30,000
26,001 & greater	\$20,000	\$20,000	\$20,000	\$15,000	\$20,000	\$40,000



“Accelerating Maryland’s Future”

Propane School Buses

- Growing user of FFVP propane funding:
 - 81/277 vehicles (~30%)
 - Over \$530K in total funding
 - Displaced over 191K gallons of petroleum
- Increase in bus deployments, but currently limited to only 6 counties
 - Anne Arundel, Cecil, Queen Anne's, Wicomico, Caroline, Dorchester
- Biggest bus deployments:
 - MBG Leasing 19
 - Annapolis Bus Company: 14
 - Jubb's Bus Service: 11



Jubb's Bus Service- Anne Arundel County



"Accelerating Maryland's Future"

Alternative Fuel Infrastructure Program (AFIP)

- 5 year reporting period
- Must follow NFPA 58: Liquefied Petroleum Gas Code
- Minimum flow rate of 8 GGE/minute
- Must dispense HD5 grade propane
- Publicly accessible
- Sharp Energy awarded \$91,400 for 2 propane stations
 - Kent Island and Easton
- Leveraging \$105,900 in investment
- Estimated annual petroleum displacement: 55,000 gallons
- Support from Shore Transit, Bay Runner Shuttle, and Queen Anne's County Public Schools

	Max Grant Cap/Station
Propane	\$100,000
Ethanol	\$35,000
DC Fast Charger	\$45,000
Natural Gas	\$500,000
Hydrogen	\$300,000



“Accelerating Maryland’s
Future”

VW Settlement

- MD award: \$75.7 million over 10 years
- Target high-growth, high-emitting sectors
- Maximize possible emission reductions through strategic use of funds
- Class 4-8 School Buses eligible for funding:
 - 2009 or older
 - For government owned buses or private owned buses under contract with a public school district:
 - Up to 100% of the cost of a re-power or new propane bus purchase
 - For non-government owned buses:
 - 40% of a re-power or 25% of new purchase
- MD will likely require cost share regardless
- \$ to those who demonstrate need



"Accelerating Maryland's
Future"

Propane Incentive Takeaways

- Incentives are available, reducing both vehicle incremental cost and infrastructure capital costs
 - FFVP and AFIP returning Summer 2017
 - Additional incentive and information resources available at www.afdc.energy.gov
- Industry awareness and promotion of incentives is mutually beneficial
- Industry knowledge and feedback helps inform and guide programs
 - Leverage resources
 - Expand relationships
- MEA and MD Clean Cities here to help
- **Maryland can become a leader in clean school bus technology.**



“Accelerating Maryland’s
Future”



Maryland
Energy
Administration



Mike Jones
*Transportation Program
Manager/Clean Cities
Coordinator*

michael.jones1@maryland.gov
<http://energy.maryland.gov>
Phone: (410) 537-4071