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Governor

Department of Environmental Protection

CATHERINE R. McCABE

Commissioner

SHEILA Y. OLIVER *Lt. Governor*

PROJECT PROPOSAL

OVERALL GOAL

The State of New Jersey, as a beneficiary of the Trust established pursuant to the national Volkswagen settlement, intends to use its allocation from the mitigation trust to efficiently implement projects that reduce oxides of nitrogen (NOx) emissions in a cost effective and technically feasible manner. The implemented projects must meet the criteria of the Consent Decree. New Jersey is issuing this solicitation for project ideas to ensure a broad range of project ideas are considered.

NJDEP anticipates primarily funding pilot electrification projects, including the replacement of heavy-duty vehicles/engines such as buses, trucks, and non-road equipment in urban areas disproportionately impacted by diesel emissions, as well as electric vehicle charging/fueling infrastructure installation in strategic locations across the state.

Submissions must contain all the information outlined in the "Project Proposals" section of this document.

ELIGIBLE PROJECTS

A general summary is below. Click here for comprehensive list and associated definitions.

Source Category	Emission Reduction	Allowed Expenditure Amount	
	Strategy		
1. Class 8 local freight trucks & port drayage trucks	Repower and replacement	Up to 40% for repower with diesel or alternative fuel or up to 75% (up to 100% if government owned) for repower with electric. Electric charging infrastructure costs are an eligible expense.	
		Up to 25% for replacement with diesel or alternative fuel or up to 75% (up to 100% if government owned) for electric replacement. Electric charging infrastructure costs are an eligible expense.	
2. Class 4-8 school bus, shuttle bus or transit bus	Repower and replacement	Same as row 1	
3. Freight switching locomotives	Repower and replacement	Same as row 1	
4. Ferries/Tugs	Repower	Same as row 1	
5. Oceangoing vessels	Shorepower	Up to 25% for shore side infrastructure if non-government owned (up to 100% if government owned)	

Source Category	Emission Reduction Strategy	Allowed Expenditure Amount
6. Class 4-7 local freight trucks	Repower and replacement	Same as row 1.
7. Airport ground support equipment	Repower and replacement	Up to 75% to repower or replace with electric (100% if government owned). Electric charging infrastructure costs are an eligible expense.
8. Forklifts and Port Cargo Handling Equipment	Repower and replacement	Up to 75% to repower or replace with electric (100% if government owned). Electric charging infrastructure costs are an eligible expense.
9. Electric vehicle charging stations or hydrogen fueling stations for light duty vehicles only		Up to 100% to purchase, install and maintain infrastructure if available to public at government owned property. Up to 80% to purchase, install and maintain infrastructure if available to public at non-government owned property. Up to 60% to purchase, install and maintain infrastructure at a workplace or multi-unit dwelling that is not available to the general public. Up to 33% to purchase, install and maintain infrastructure for publicly available hydrogen dispensing that is high volume or 25% for lower volume.

PROJECT PROPOSALS (Open with Adobe Reader)

Electronic submittals are preferred and should be sent to <u>VWComments@dep.nj.gov</u>, however paper submittals will also be accepted and should be sent to:

NJDEP Division of Air Quality Mail code 401-02E Trenton, NJ 08625-0420 Attn: VW Settlement

To enter information electronically, use Adobe Reader

CONTACT INFORMATION

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	MV NJ Vessel Repowering				
PROJECT CATEGORY OR CATEGORIES (choose from 1-9 in "Eligible Projects" section above)					
1 2 3	4 ■ 5	6 7 8 9			
PROJECT PRIORITY	·	of 1 proposals proposal?			

NOTE FOR CATEGORY 9 PROPOSALS

If your proposal is for Category 9 (Light Duty Zero Emission Vehicle Supply Equipment), follow these instructions:

<u>Electric Vehicle stations</u>: Do not complete this form. Instead, go to <u>It Pay\$ to Plug In</u> – <u>NJDEP's Electric Vehicle Charging Grants Program</u>, and apply for a Charging Grant. Volkswagen funds for charging stations will be administered through *It Pay\$ to Plug In*.

Hydrogen fuel cell vehicle supply equipment: Complete all of the questions on this form.

PROJECT BUDGET

Provide total estimated project budget, include source, amount of cost share, and administrative costs if applicable:

Total Cost: \$13,460,900, Federal Grants: \$3,000,000, Unfunded Liability: \$10,460,900

Cost Break Down: Owner-Furnished Equipment: \$3,985,900, FTA grant consultant: \$75,000 Design and Project Management: \$900,000, Shipyard Cost: \$8,500,000

PROJECT DESCRIPTION (Briefly describe the project by completing the following questions)

In November 2020 the MV NJ's duel diesel engines will be replaced resulting in an upgrade from Tier 0 (unregulated) to EPA certified Tier 3 engines

Geographic area where emissions reductions will occur? Cape May County

Estimated size of population benefitting from the emission reductions? 1,000,000

Estimated useful life of the project? 20 years

Number of engines/vehicles/vessels/equipment included in the project? 2 engines aboard 1 vessel

DEP will be modeling emission benefits for all projects. Please provide the necessary information below:

Model Year 1975

Horsepower 2,000 each

Annual hours of use 3,740 ea.

Annual amount of fuel used ~360,000 gallons total

Will the project benefit one or more communities that are disproportionately impacted by air pollution? If so, please describe?

Yes, based on the ferry's location on the southwest portion of the state, prevailing winds to the west/northwest contribute to ferry emission dispersal throughout the State, impacting many communities. In addition, the alternative travel method is a 170-mile trip via vehicle through communities and counties that are more disproportionately impacted by air pollution than in the vicinity of the Ferry complex. The repowering will encourage clean and efficient travel across the Bay, reducing the burden on more congested areas, and improve the air quality in much of the State.

Only shovel ready projects will be considered. Please list project partners.

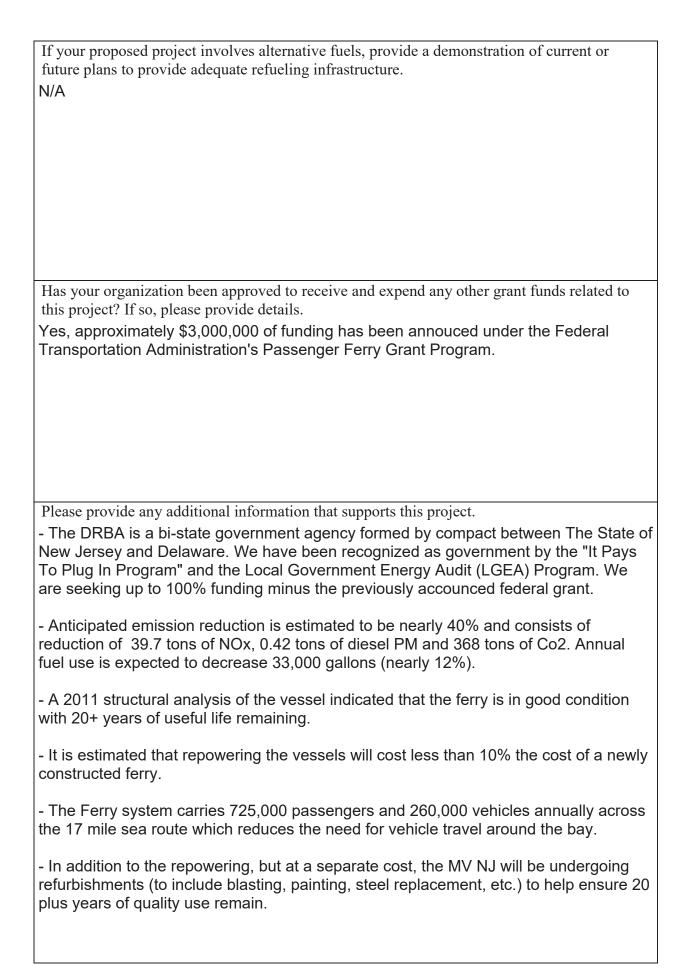
Currently awaiting bid responses from shipyards, due August 14th. Engines, gears, and other associated equipment procured and in production for a November delivery to the selected shipyard.

Estimated timeframe for implementation? Include a project timeline that identifies start and end dates, as well as the timeline for key milestones.

The MV NJ will travel to the selected shipyard in November 2020. Repowering completion is anticipated by Spring 2021.

Demonstrated success in implementing similar projects?

Yes, DRBA was awarded a federal grant under the EPA's Diesel Emission Reduction Act to repower another ferry in our fleet, the M/V Delaware. The repowering was successfully completed in the winter/spring of 2015-2016.



Two additional pages have been provided as supplemental space to answer any of the questions above.

Supplemental Page 1

- The vessel repowering is just one step in the The Cape May-Lewes Ferry's goal to become a regional leader and partner in sustainability and environmental stewardship.

Some of our recent initiatives and awards include:

- 1) Certified under the Passenger Vessel Association's (PVA) Green Waters Program for our dedication and commitment to reducing waste and pollution/litter, and operating in a greener, more sustainable way.
- 2) Currently working with DEP drive green team to install a public use electric vehicle charging system at the Cape May Ferry Complex
- 3) Have recently performed an energy audit of the complex under the Local Government LGEA program
- 4) We were awarded the 2019 Environmental Sustainability Leadership Award from the Northeast Recycling Council
- 5) Received Cape May County Municipal Utility Authority's 2019 Recycling Excellence Award
- 6) We were awarded a the Rising Star for Recycling Excellence award by NJDEP and ANJR in 2018
- 7) Our on-site restaurant is designated as a Surfriders Ocean Friendly Restaurant.
- 8) We are currently exploring additional sustainability projects such as on-site renewable energy production, alternative fuel ferries and vehicles, and electric charging stations on board the ferries.

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