

**MICHELLE LUJAN GRISHAM, GOVERNOR**

James C. Kenney, Cabinet Secretary

NEWS RELEASE*For Immediate Release***April 1, 2024**

The Environment Department's mission is to protect and restore the environment and to foster a healthy and prosperous New Mexico for present and future generations.

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New Mexico Environment Department applies for \$577 million in Federal Climate Pollution Reduction Grants

Projects would fund transportation decarbonization efforts along Interstate 40 and provide incentives for trucks, buses, and associated infrastructure in the state

SANTA FE — Today, the New Mexico Environment Department (NMED) submitted grant applications to the U.S. Environmental Protection Agency (EPA) totaling \$577 million as part of the Climate Pollution Reduction Grant Program. The two grant applications further New Mexico's ambitious efforts to address climate change and air quality while expanding the economy and growing quality jobs. The grant applications focus on decarbonization of medium and heavy-duty vehicles, including semi-trucks and buses, traveling on Interstate 40 and financial incentives to defray the costs of those vehicles.

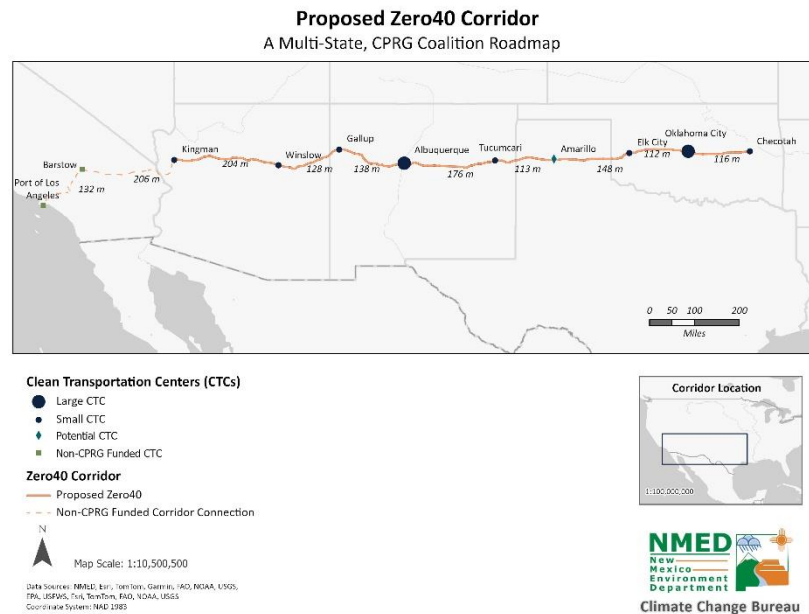
“New Mexico's bold vision for clean transportation connects Western states and our local communities along the new ‘Zero40’ corridor,” said **New Mexico Environment Secretary James Kenney**. “If funded, New Mexico will build the necessary transportation infrastructure for local tourism and regional commerce while reducing carbon emissions and other air pollutants one mile at a time.”

Under the grant application for the “Zero40” corridor, NMED is leading an effort to establish eight clean transportation fueling centers along Interstate 40 – a major interstate freight route – in Arizona, New Mexico and Oklahoma. Each of the clean transportation centers will include heavy-duty charging stations and mobile hydrogen re-fueling stations for long haul freight. Zero40 includes three location sites in New Mexico – one in Bernalillo and Sandoval Counties, one in the Greater Gallup area, and one in Tucumcari.

New Mexico's portion of the Zero40 grant application is estimated to be approximately \$250 million and will fund the clean transportation fueling component of planned manufacturing and logistics centers at the Bernalillo and Sandoval County location as part of the I-40 TradePort Corridor effort and the Greater Gallup area location where planning for an inland port and multi-fuel hub is underway. Zero40 will also fund an anchor clean transportation fueling location in Tucumcari, already home to the North American Wind Research and Training Center at Mesalands Community College.

Zero40 will add on to transportation decarbonization projects already underway from the Port of Los Angeles in California and assist with installing infrastructure to connect to additional points east.

Project-wide, Zero40 is projected to create an estimated 3,800 direct and indirect jobs and reduce, with a focus on low-income and underserved communities, and protected to decrease cumulative greenhouse gas emissions by over 1.3 million metric tons of carbon dioxide equivalent through 2050.



A map of the proposed Zero40 Corridor from California to Oklahoma

Under a separate grant application, NMED has requested funding for two state programs – the Clean Truck Incentive Program and the Efficient and Clean Operations for Schools – or “ECO Schools” – Program.

The Clean Truck Incentive Program aims to complement New Mexico’s Advanced Clean Trucks Rules adopted by the state last year as well as new EPA rules for heavy-duty vehicles by providing point-of-sale vouchers to fleet owners. The Clean Truck Incentive Program also will provide funding for charging or fueling infrastructure stations which may qualify those stations for clean fuel credits under New Mexico’s new Clean Transportation Fuels Standard passed last month.

“The Clean Truck Incentive Program will allow us to assist businesses as they begin to incorporate zero emission vehicles into their fleets,” said **Michelle Miano, Environmental Protection Division Director at the New Mexico Environment Department**. “It will also allow NMED to continue to fund the expansion of necessary clean fueling infrastructure, which we know is a critical need.”

The separate ECO Schools Program aims to provide funding for electric school buses and charging plugs for schools that serve low-income students and households. The ECO Schools program will also provide funding for project assistance so that the awardees of projects are able to stack the benefits from ECO Schools with existing renewable energy and efficiency cost saving opportunities.

NMED estimates the Clean Truck Incentive Program will create an estimated 280 direct and indirect jobs, and ECO Schools will create an estimated 521 direct and indirect jobs.

Collectively, the Clean Truck Incentive Program and ECO Schools are projected to reduce cumulative greenhouse gas emissions by 500,000 metric tons of carbon dioxide equivalent through 2050 and save New Mexicans over \$8 million in health costs from air pollution.

A copy of NMED’s Zero40 grant application workplan is available [here](#).

A copy of NMED’s Clean Truck Incentive Program and ECO Schools grant application workplan is available [here](#).

More information about NMED’s Climate Pollution Reduction Grant work is available [here](#).

Established under the Inflation Reduction Act of 2022, the Climate Pollution Reduction Grant program provides a total of \$4.6 billion in grants to states, local government, tribes, and territories to develop and implement ambitious plans for deep decarbonization.

Awards are expected to be announced by the EPA in October 2024.

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