



Transportation Emission
Reduction Plan (TERP)
TxDOT Annual Report, House Bill
4472, 87th Legislature, Regular
Session (2021)

Transportation Planning and Programming Division
September 26, 2022

Background

House Bill 4472 from the 87th legislative session included new provisions to expand projects eligible for funding under the Texas Emissions Reduction Plan (TERP), revised allocations from the TERP fund and account, and made other changes to TERP programs. House Bill 4472 amends the Health and Safety Code to require the Texas Commission on Environmental Quality (TCEQ) and the Comptroller of Public Accounts, under TERP, to provide funding for remittance of funds to the state highway fund for use by the Texas Department of Transportation (TxDOT) for congestion mitigation and air quality improvement projects in nonattainment areas and affected counties. This change became effective September 1, 2021.

Sec. 386.057. HEALTH AND SAFETY CODE is amended by adding Subsection (e) to read as follows: (e) Not later than October 1 of each year, the Texas Department of Transportation shall report to the commission the following information for all congestion mitigation and air quality improvement projects in nonattainment areas and affected counties that are planned to be funded, or received initial funding during the preceding 10 years, from money received by the department under this chapter:

- 1) projects to mitigate congestion and improve air quality that are currently planned;*
- 2) projects to mitigate congestion and improve air quality that have been completed;*
- 3) estimated emissions reductions for all planned and completed congestion mitigation projects; and*
- 4) estimated cost per ton analysis of reduced emissions of nitrogen oxides, particulate matter, or volatile organic compounds for each congestion mitigation project planned or completed.*

Fiscal Year 2022

During fiscal year 2022, \$81,260,747.07 was transferred from the TERP Fund to the credit of the state highway fund for use by TxDOT on projects to mitigate congestion and improve air quality in non-attainment areas.

From the pool of eligible projects, these funds were applied to the construction costs of the US 281 project in Bexar County, which expands a non-freeway section of US 281 to a freeway with four general purpose lanes and two High Occupancy Vehicle (HOV) lanes and is currently under construction. See **Table 1** for more details on emission reduction and cost-effectiveness estimates for this project.

Fiscal Year 2022 is the first year funding from TERP was made available to TxDOT for congestion mitigation and air quality improvement projects. These projects have been funded by other Categories established in the Unified Transportation Program (UTP) in previous years.

Table 1: Emission Reduction and Cost-Effectiveness Estimates for project funded by TERP (FY 2022)

Control Section Job	Project Description	TERP Funds	Analysis Description No Build/Build Scenarios	Project Limits	AADT (Vol/Day)	Emissions Reduced (tons/day)			Projects' Emission Reduction Cost-Effectiveness (dollar/ton)		
						NOx	VOC	PM10	NOx	VOC	PM10
0253-04-138	Expand to 6 lane expressway with frontage roads -4 general purpose & 2 HOV lanes	\$81,260,747.07	The no-build scenario is a four-lane freeway, and the build scenario considers a six-lane freeway with two HOV lanes. Emission benefits calculated for HOV-lane (decrease in single occupancy vehicle trips) and speed improvements in general purpose (GP) lanes.	US 281 from Loop 1604 to Bexar/Comal County Line	90,245	0.0088	0.0108	0.0003	\$2,183,929	\$1,781,056	\$67,246,319