



ZERO-EMISSION HEAVY DUTY VEHICLES PURCHASE GRANT SCHEME PRICE DIFFERENTIAL CALCULATIONS

1. Definitions

1.1 In this document:

“ZEHDV” means, at any time, an aero-emission HDV which is specified at such time as eligible for the Scheme in accordance with the Scheme Rules;

“Applicant” means a person applying for a Grant;

“BEV” or “Battery Electric Vehicle” means a new vehicle that is powered by an electric battery which can only be charged and re-charged by plugging in to an external electric power source;

“FCEV” or “Fuel Cell Electric Vehicle” means a new electric motor vehicle powered by a fuel cell in combination with a battery or supercapacitor;

“Grant” means the money given by TII to the Applicant upon satisfaction of all conditions and obligations under the Scheme as set out in the Scheme Rules and the Grant Letter;

“Grant Letter” means the letter issued to the Applicant in connection with the making available of a Grant under the Scheme;

“HDV” means a heavy-duty vehicle, including a van, truck, bus or coach, with an unladen design gross weight of more than 3.5 tonnes;

“new”, in the case of a vehicle, means that the vehicle:

(a) prior to the Applicant’s acceptance of a Grant Letter:

(i) has not been registered pursuant to the Finance Act 1992 in the name of any person (other than in the name of a motor trader authorised to sell the relevant model of ZEHDV); and

(ii) has not been acquired by the Applicant, or been the subject of any agreement or contract for its acquisition by the Applicant; and

(b) has not been used prior to its acquisition by you, except in respect of incidental transit to a motor trader authorised to sell the relevant model of ZEHDV or as a demonstration model by a motor trader authorised to sell the relevant model of ZEHDV;



“**Price Differential**” means the difference in price between a conventional diesel-fuelled HDV and the price of the equivalent ZEHDV that enables EU standards to be exceeded on environmental grounds as more particularly described in paragraph 6.3 of the scheme rules;

“**Scheme**” is the ZEHDV purchase grant scheme being made available by the Scheme Administrator;

“**Scheme Administrator**” means, in accordance with arrangements contemplated by section 32, Roads Act 1993, TII;

“**Scheme Rules**” means the rules setting out the parameters of the Scheme as published on the Scheme Administrator’s website; and

“**TII**” means Transport Infrastructure Ireland (being the operational name of the National Roads Authority).

2. Determining the Price Differential for HDV power-train technologies supported under the Scheme

- 2.1 Currently, there is a large degree of variation in the technological maturity and prices of ZEHDVs in the Irish market. BEV and FCEV technologies are at a less mature stage of development, with limited availability of models, and with considerable variability in Price Differential depending on the power-train and vehicle specifications. For these technology types, the Price Differentials upon which Grants are based are established by reference to best-estimate ‘average’ baseline purchase prices for a range of diesel HDVs of different weights and categories. These baseline prices are listed in the table at paragraph 3.1 below. These baseline prices are exclusive of Value Added Tax (VAT) and any other discounts. The baseline prices will be reviewed and updated from time to time. The Price Differential for BEVs and FCEVs is calculated by subtracting the baseline diesel HDV price from the price of the equivalent ZEHDV.
- 2.2 It is important to note that Price Differentials for all Eligible Vehicle Categories are to be calculated exclusive of any extra vehicle features or additional specifications that might be set out in the eligible Applicant’s vehicle purchase invoice. Only costs directly linked to the investment in the environmental protection are included in the Price Differentials.
- 2.3 The maximum Grant that can be awarded to Applicants for any Eligible Vehicle Category is the percentage of the Price Differential for which the Applicant is eligible, depending on their status as a ‘small’, ‘medium’ or ‘large’ enterprise (for further details, see section 10 of the Scheme Rules).
- 2.4 Only the Eligible Vehicle Categories are eligible for potential Grants. Future iterations of the Scheme may specify different vehicle types and weights as more zero-emission heavy duty vehicles enter the market.

2.5 Worked examples of hypothetical ZEHDV Grant calculations are included below for illustrative purposes.

3. Maximum Grants and baseline diesel prices for Eligible Vehicle Categories

3.1 For BEVs and FCEVs within the weight ranges set out below, the Price Differential is the difference between the price listed in the table for a vehicle listed in the table, and the purchase price for an equivalent ZEHDV as shown on the purchase invoice supplied by the Applicant in support of its application for a Grant.

EU category	Vehicle type	Weight range (GVW)	Baseline diesel purchase price ex VAT
N2	Van/light truck	3.5t to c. 5t	€31,000
N2	Van/light truck	c. 5.5t to 8.5t	€56,000
N2 and N3	Truck	Over 8.5t to 16t	€73,000
N3	Truck	Over 16t to 19t	€105,000
N3	Truck	Over 19t to 46t	€131,000
N3	Refuse collection truck (refuse rear end loader or 'bin lorry')	(Finished vehicle consisting of a c. 26t+ chassis plus bodywork)	€259,500
M2	Mini bus	c. 11-17 seats (Approx. indicative weight range of 3.5 to c. 5t)	€45,000
M3	Midi bus	c. 21-32 seats (Approx. indicative weight range of c. 8t to 10t)	€197,000
M3	Single deck bus	c. 40+ seats (Approx. indicative unladen weight range of c. 11t to 14t)	€191,500
M3	Single deck coach	c. 40+ seats (Approx. indicative weight range of c. 13.5t and over)	€317,000
M3	Double deck coach	c.75+ seats Low floor with ramp access	€470,000
M3	Double deck bus (Euro VI diesel)	c 65+ seats	€279,000



4. Worked illustrative examples

4.1 The following hypothetical examples have been included for illustrative purposes and the Grant amounts and figures cited are indicative only. They do not establish any precedent for the processing and award of actual individual applications or Grants. All Grants awarded under the Scheme will be processed and calculated according to the provisions of the Scheme as set out in the Scheme Rules, the Grant application, Grant Letters and other related documentation. Grant levels and the following examples may be revised from time to time.

4.2

(a) Worked example 1: BEV and the Applicant is a 'small' enterprise

Application	
Applicant submits:	<ul style="list-style-type: none"> a grant application to support the purchase of a Battery Electric Vehicle (BEV) double-deck bus; an invoice showing that the purchase cost of the BEV bus is €475,500 ex VAT; and supporting documentation to show that the Applicant is a 'small' enterprise. <p>Note: the Applicant and/or its Affiliates have never received a Grant under the Scheme, and therefore, over the course of the Scheme, can avail of Grant support of up to a total of €500,000.</p>
Calculation of Grant level:	
Baseline diesel double-deck bus price	= €279,000
Invoice price (eligible costs only)	= €475,500
Price Differential	= Invoice price - baseline price = €475,500 - €279,000 = €196,500
Maximum possible Grant level for 'small' enterprise	= 60% of Price Differential = 60% of €196,500 = €117,900
Value of Grant to be awarded	
As neither the Applicant nor any of its Affiliates have previously received a grant under the Scheme, the Applicant is awarded the maximum possible Grant for which the Applicant is eligible towards the purchase of the BEV double-decker bus	= €117,900
Potential remaining funding available to the Applicant under the Scheme	
After receiving the Grant for the double-decker BEV bus, the Applicant and/or its Affiliates can apply for future Grants under the Scheme up to a maximum total value of €382,100 for up to a maximum total of 19 vehicles.	



(b) Worked example 2: BEV and the Applicant is a 'medium' enterprise

Application	
Applicant submits:	<ul style="list-style-type: none"> • a grant application to support the purchase of 7.5t battery electric (BE) truck • an invoice showing that the purchase cost of the BE truck is €126,500 ex VAT; and • supporting documentation to show that the Applicant is a 'medium' enterprise. <p>Note: the Applicant and/or its Affiliates have already received Grants for 10 vehicles under the Scheme, with a total value of €480,000 awarded to date, therefore under the Scheme, the Applicant can avail of Grant support of up to a maximum total value of €20,000 to support the purchase of the BE truck.</p>
Calculation of Grant level:	
Baseline price for diesel truck in c. 5.5t to 8.5t category	= €56,000
Invoice price (eligible costs only)	= €126,500
Maximum possible Price Differential	= Invoice price – baseline price = €126,500 – €56,000 = €70,500
Maximum possible Grant level for 'medium' enterprise	= 50% of cost differential = 50% of €70,500 = €35,250
Value of Grant to be awarded	
As the Applicant and/or its Affiliates have already received €480,000 in Grant funding of a possible maximum €500,000 under the Scheme, the maximum Grant payable to the applicant is:	= €20,000.
Potential remaining funding available to the Applicant under the Scheme	
<p>Following the award of the Grant to the Applicant to support the purchase of the BE truck, the Applicant and its Affiliates will have been awarded the maximum possible total Grant funding under the Scheme.</p> <p>Therefore, although the Applicant and/or its Affiliates will have received support for the purchase of 11 of a possible maximum total of 20 vehicles under the Scheme, the Applicant and its Affiliates have already reached the maximum possible total funding threshold. The Applicant and its Affiliates will not be eligible to receive any further funding under the Scheme and any further vehicle purchase Grant applications submitted by the Applicant and/or its Affiliates to the Scheme will be refused.</p>	



(c) **Worked example 3: FCEV and the Applicant is a 'large' enterprise**

Application	
Applicant submits:	<ul style="list-style-type: none"> a Grant application to support the purchase of a Fuel Cell Electric (FCE) hydrogen double decker bus; an invoice showing that the purchase cost of the FCE double-decker bus is €716,000 ex VAT; and supporting documentation to show that the Applicant is a 'large' enterprise. <p>Note: the Applicant and/or its Affiliates have already received 3 grants under the Scheme, with a total value of €200,000 awarded to date, therefore under the Scheme, the Applicant can further avail of grant support of up to a maximum total value of €300,000.</p>
Calculation of Grant level:	
Baseline double-deck diesel bus price	= €279,000
Invoice price (eligible costs only)	= €716,000
Maximum possible Price Differential	= Invoice price – baseline price = €716,000 – €279,000 = €437,000
Maximum possible Grant level for 'large' enterprise	= 30% of cost differential = 30% of €437,000 = €131,100
Value of Grant to be awarded	
As the Applicant and/or its Affiliates have already received €200,000 in Grant funding of a possible maximum €500,000 under the Scheme, the Applicant is still eligible to receive up to €300,000 for 5 vehicles.	
When the application has been verified and awarded, the Applicant will be eligible to receive:	= €131,100
Potential remaining funding available to the Applicant under the Scheme	
Following payment of the Grant for the purchase of the FCE double decker bus, the Applicant and its Affiliates will have been awarded a total of €331,100 under the Scheme for 4 vehicles.	
After receiving this Grant, the maximum potential Grant level for which the Applicant may be eligible in the future under the Scheme is €168,900 for up to a maximum total of 16 vehicles.	