

SCAQMD's Proposition 1B – Goods Movement Emission Reduction Program



South Coast
AQMD

Presenter: Vicki White, Technology Implementation Manager

Before we get started:

Q&A:

Submit your questions to the host using the Q&A box in the lower right-hand corner.

Survey:

A 30-second survey will pop-up at the end. We appreciate your feedback!

Recording:

A recording of today's webinar will be posted on the SCAQMD website and you will be emailed a link by the end of this week.

Technical Issues:

Contact Audrie Bieganowski at audrie.bieganowski@gladstein.org or **310-573-8558** for assistance.

Webinar Overview

Prop 1B Funding Overview

Truck Funding Overview

Truck Infrastructure Project

Application Process

Questions & Answers

Next Steps



Prop 1B Funding Overview



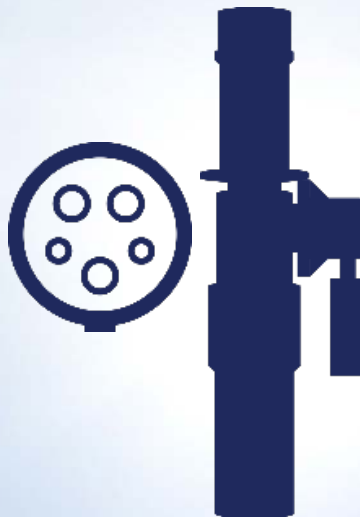
Prop 1B Funding Highlights

At least \$11 million now available

1. Clean and advanced technology trucks (between \$25k - \$200k)



2. Infrastructure for zero emission vehicles



Prop 1B Funding Background



Grants for **goods movement operators** to purchase cleaner equipment



Emission reductions must be “**early or extra**” to those required by law or regulation



Focus on **all fleets** that are in compliance with **CARB’s Truck and Bus or Drayage Truck Regulation**

Prop 1B Changes



Higher funding amounts for the cleanest technologies: **optional low-NOx, hybrid, and zero-emission**

Funding for infrastructure:

- Electric charging stations
- Hydrogen fueling units



Prop 1B Changes (cont'd)



May leverage **other incentive funds** (up to 90% of project cost)



MY2007-2009 diesel engines now eligible for replacement



Reuse program for trucks with MY2007-2009 engines instead of scrappage

Reference: Final 2015 Guidelines for Implementation (June 25, 2015)

Contracting and Implementation Timelines

SCAQMD Timeline	Milestone
October 6, 2017 – January 16, 2018 <i>*or until Program funds are fully committed*</i>	Solicitation and Project Evaluation
January to March 1, 2018	Issue Contracts
June 1, 2019	Operational Deadline*

** If equipment is commercially available, or December 1, 2020 if equipment is not commercially available.*

Truck Funding Overview



Truck Funding Table

Existing Truck	“New” Replacement Truck (2016+ engine)				
	Natural Gas	Hybrid	Low-NOx (0.02 only)	Hybrid Zero Emission Miles	Zero Emission
Class 8	\$65,000	\$80,000	\$100,000	\$150,000	\$200,000
Class 7	\$65,000	\$80,000	\$100,000	\$150,000	\$200,000
Class 6	\$40,000	\$45,000	\$50,000	\$65,000	\$100,000
Class 5	\$25,000	\$35,000	\$40,000	\$50,000	\$80,000

Notes:

- Class 7/8 (MY2009 or older engine), Class 6 (MY1999-2009 engine), and Class 5 (MY2000-2009 engine)
- Class 8 (GVWR 33,001 lbs or greater), Class 7 (GVWR 26,001 to 33,000 lbs), Class 6 (GVWR 19,501 to 26,000 lbs), and Class 5 (GVWR 16,001 to 19,500 lbs)

Other Truck Project Options

- Three-Way Truck Transaction



- 2 for 1 Replacement

- Replace 2 older trucks (MY2009 or older engine) with 1 new replacement truck

Main Eligibility Criteria

Over the past 2 years, the truck must have:

- California DMV registration or California-based IRP
- Operated at least 75% in California
- Moved goods

Existing Truck	Minimum Mileage Requirements	
	Engine Model Year	Min. Mileage (Past 2 Years)
Class 8	2009 or older	At least 20,000 miles/year
Class 7	2009 or older	At least 20,000 miles/year
Class 6	1999 to 2009	At least 10,000 miles/year
Class 5	2000 to 2009	At least 10,000 miles/year

Main Eligibility Criteria

- Must be the “**legal owner**” of existing truck
 - No outstanding CARB citations or violations, and **must be in compliance** with CARB’s Truck and Bus or Drayage Truck Regulation
 - Cannot use the replacement truck to **comply with applicable CARB regulation**
- 

Registration Requirements

- ❑ **Current California DMV registration** (at time of application)

- ❑ **Registered for past 2 years:**
 - 1) California **DMV registration cards** verifying registration for the past 24 months, OR

 - 2) California **DMV printout** showing:
 - Registration in **both the current and prior year** with a minimum of 6 months of total registration, OR
 - If CA DMV printout does not show registration in the prior year, then **alternative documentation** (insurance certificate or BIT inspection) is required

Key Requirements for Heavy-Duty Truck Replacement

- ❑ Both old truck and “new” replacement truck must **pass an inspection** by SCAQMD
- ❑ The new engine/equipment must be certified or approved by CARB
- ❑ New engine must be **MY2016 or newer**
- ❑ Same weight classification (Class 5, 6, 7 or 8) and configuration (MHD or HHD) as existing truck, unless allowed by the Program Guidelines

Key Requirements for Heavy-Duty Truck Replacement (cont'd)

- ❑ Program-funded equipment must include the **original manufactured chassis and engine**
- ❑ The **old truck must be scrapped**, unless selected by CARB/SCAQMD for a reuse program
- ❑ The old truck must be delivered to an **SCAQMD-approved dismantler** within 30 days after the replacement truck is placed into operation
- ❑ Project life of **5 years or 500,000 miles** (Class 7-8) **or 300,000 miles** (Class 5-6), whichever comes first

Truck Infrastructure Projects



Truck Stop Electrification Infrastructure



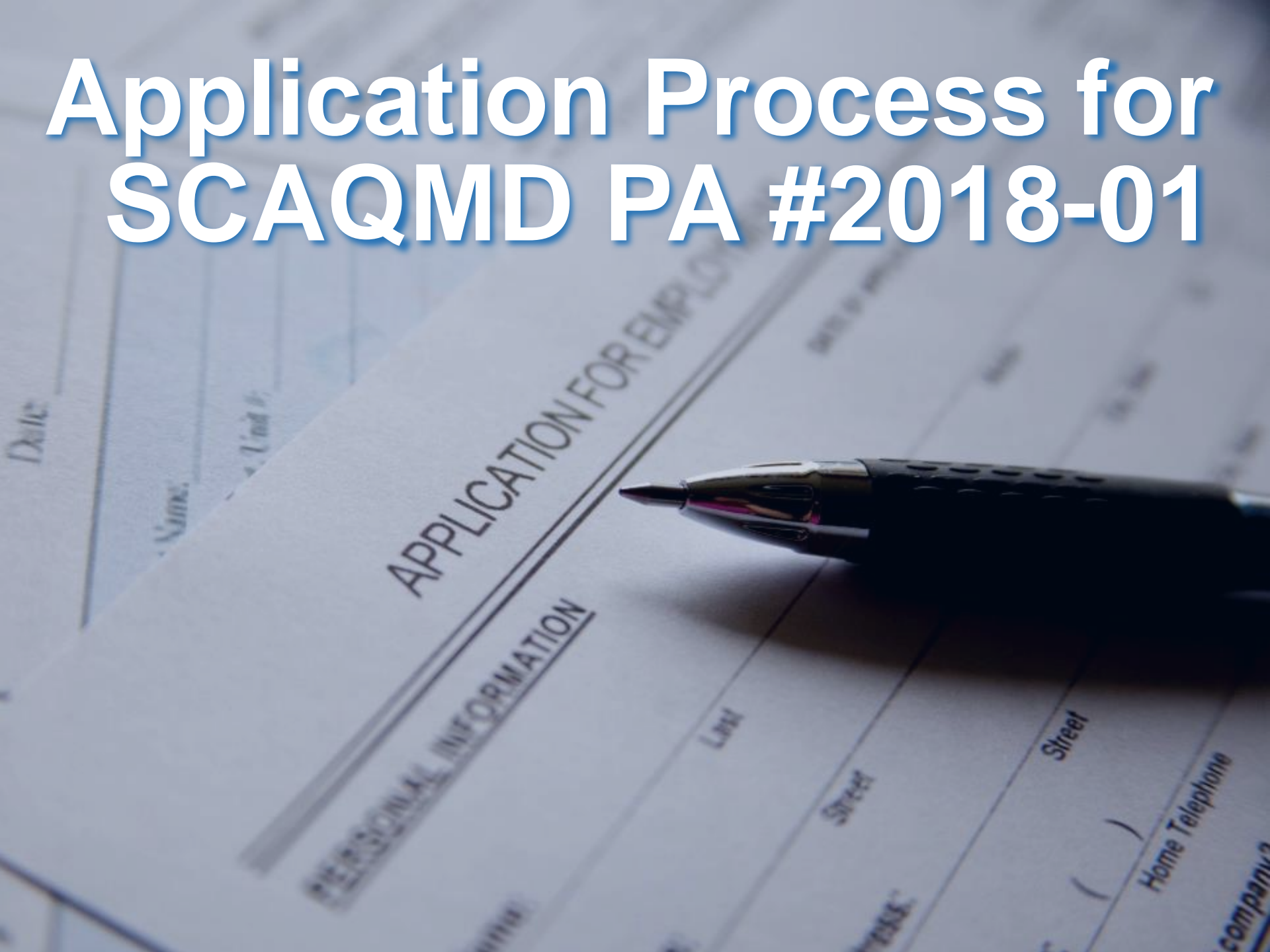
- **Truck stop, rail yard, or other freight facility**
- **Up to 50% of eligible costs**

Electric Charging Station or Hydrogen Fueling Unit



- Up to **50% of eligible costs OR \$30,000**
- The project must include at least one diesel truck replacement to qualify

Application Process for SCAQMD PA #2018-01



Required Documents for Application

- Application Forms**
- California DMV registration records**
- Copy of title**
- Mileage records**
 - A minimum of 2 records showing odometer readings that are at least 6 months apart
- PTO records (if applicable)**
- Proof of compliance with applicable CARB Regulation**
- Proof of insurance for the past 24 months**
- Photo of truck manufacturer's label showing VIN and GVWR**

Application Submittal

- ❑ 3 copies of “completed” application, including:
 - Application forms with supporting documents
 - Required signatures

- ❑ Must be received by SCAQMD by the deadline (**January 16, 2018, 1:00 PM PST**):
 - In-person, OR
 - By mail delivery by the due date (post mark will not be accepted)

*Note: Facsimile or email submittals will **not** be accepted*

Project Evaluation



Only complete applications will be evaluated by SCAQMD and move on to selection process.

Funding Availability:

- Prop 1B funding is available until a sufficient number of complete and eligible applications are received
- If additional funds become available, SCAQMD may re-issue this Program Announcement for additional truck projects

Program Milestones for Project Implementation



SCAQMD Timeline	Milestone
October 6, 2017 – January 16, 2018 <i>*Or until Program funds are fully committed</i>	Solicitation and project evaluation
January – March 1, 2018	Issue contracts
June 1, 2019 <i>*December 1, 2020, if equipment is not commercially available</i>	Operational deadline if equipment is commercially available

After Replacement Truck is Deployed...

Timeline	Milestone
Within 30 days	The existing (old) truck must be surrendered to an SCAQMD-approved dismantler within 30 days
Annually for 5 years	The owner must submit annual reports to SCAQMD

REMINDER:

Applicant must continue to **operate the existing truck in legal condition** until the new replacement truck is received and placed into service.

Questions & Answers



Questions & Answers

Can I use the grant funds for equipment that I have already purchased?

No, the grant funds cannot be used for equipment that was purchased prior to the contract being executed.



Questions & Answers

Can you explain the low NOx option versus the CNG option?

The Prop. 1B Program will provide up to \$65,000/truck for a conventional natural gas truck that meets the 2010 emission standards of 0.20 g/bhp-hr NOx and 0.01 g/bhp-hr PM. The engine on the natural gas truck must be certified by CARB with an Executive Order showing compliance with the 2010 emission standards.

The low NOx option is a truck equipped with an engine that is certified by CARB to meet the “optional” low NOx standard of 0.02 g/bhp-hr or less.

Questions & Answers

Can the funding amounts be combined, for example, can the funding for a Class 8 low-NOx truck be combined with a hybrid zero emission truck for a total of \$250k?

No, the Prop. 1B funding amounts cannot be combined. However, the equipment owner may leverage the Prop 1B grant with other incentive funding sources, such as the Hybrid Voucher Incentive Program. Up to 90% of the project cost can be paid for by grants.

Questions & Answers

When can I order the replacement truck?

The replacement truck can be ordered prior to contract execution, but not before CARB approves the eligible projects list.

Applicants that place orders for new equipment prior to contract execution will assume all financial risk, and are in no way assured Program funds.

Note: The new replacement truck cannot be purchased until after the contract is fully executed and the old truck has passed the pre-inspection by SCAQMD.

Questions & Answers

Can I purchase the new replacement truck from out-of-state?

Yes, however you will need to make arrangements to bring the new truck into California for the inspection by SCAQMD (or its designee). Any costs related to bringing the new truck into California will be at owner's expense.

Questions & Answers

What is considered a “new” truck?

A vehicle constructed entirely from new parts that has never been the subject of a retail sale, or registered with California Department of Motor Vehicles, or registered with appropriate agency or authority of any state, District of Columbia, territory or possession of the United States, or foreign state, province, or country. The new truck must have an engine model year of 2016 or newer.

Questions & Answers

What are the annual reporting requirements?

The equipment owner is required to submit annual reports for a period of 5 years. The required information includes, but is not limited to:

- Proof of registration and insurance*
- Odometer reading*
- Certification that the truck was operated in California either 90% or 100% of the time*

The annual report form will be attached to your contract.

Questions & Answers

What would happen if I sold the new truck to a buyer during the 5 year contract?

The contract requires that you obtain written consent by SCAQMD prior to the sale/transfer, and you must notify the buyer of the terms of the contract prior to completing the transaction.

You will be responsible for establishing contact between SCAQMD and buyer, and facilitating the transfer of the contract to the buyer. SCAQMD will enter into a contract with the buyer to fulfill the remaining terms of the contract.

Questions & Answers

Can a leasing company apply for Prop. 1B funding?

Yes, if the leasing company is also the legal owner of the existing diesel truck. The leasing company must apply jointly with the lessee for a lease-to-own program where the lessee takes ownership of the new vehicle at the end of the lease.

Are existing natural gas trucks eligible for replacement?

No, the Program Guidelines specify the existing equipment must be diesel-powered.

Questions & Answers

Can I apply for technology that is not yet commercially available?

Yes, you may apply now for technology that is not currently commercially available. The Program allows an extended timeline for deployment of advanced technologies that are not yet commercially available. The deadline for deployment of these advanced technologies is December 2020.

Since this is the last cycle for Prop 1B funding, we encourage all fleets to apply now.

Questions & Answers

Are there any requirements to operate the existing truck until the new vehicle is available?

Yes, the existing truck must be operational and maintained in legal operating condition until the new replacement truck is placed into service.



Next Steps



South Coast
AQMD

Next Steps: Visit the Website

Program information and application forms for SCAQMD PA #2018-01 can be found at:

<http://www.aqmd.gov/Prop1B>



Next Steps: Contact Us

If you have questions about specific **truck eligibility**, **project type**, or **application forms**, the SCAQMD can help:



Mei Wang, Program Supervisor

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Email: mwang@aqmd.gov

Thank You!

What did you think of this webinar? Please fill out our 30-second survey.

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