

Prop 1B: Goods Movement Emission Reduction Program



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



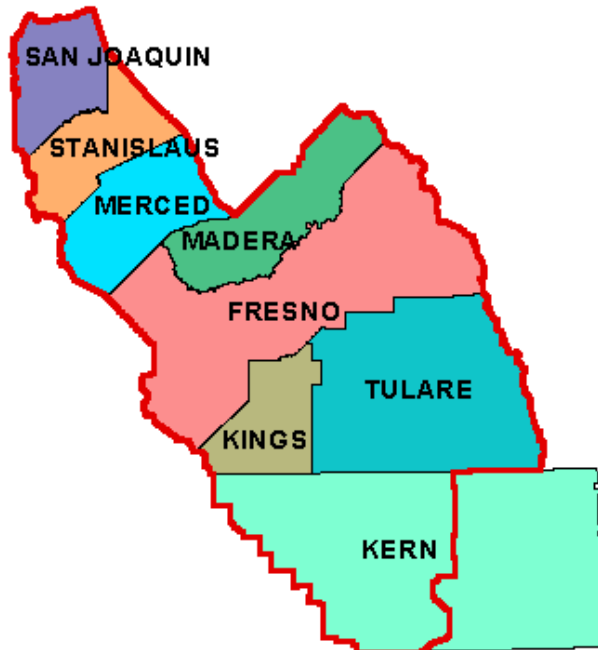
Stephanie Hitchman
Sr. Air Quality Specialist



Webinar Overview:

- SJV Air Basin Challenges
- Prop 1B
 - Truck Funding Overview
 - Eligibility Criteria
 - Application Process
 - Contracting & Implementation Guidelines

San Joaquin Valley Air Basin



San Joaquin Valley Air Basin Challenges

Topography & Climate

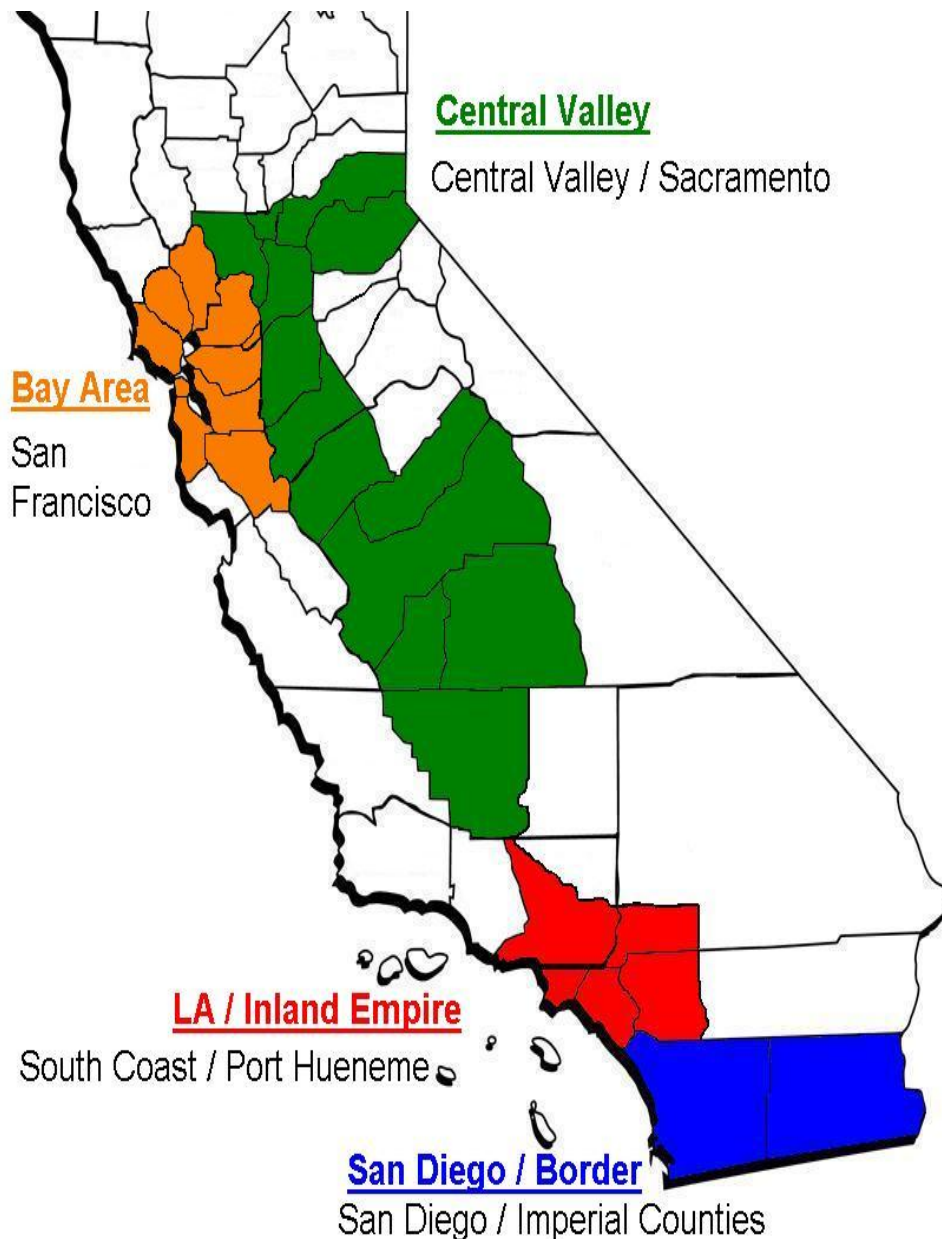
- SJV topography traps air pollution
- Causes unmatched challenges compared to other regions in the State



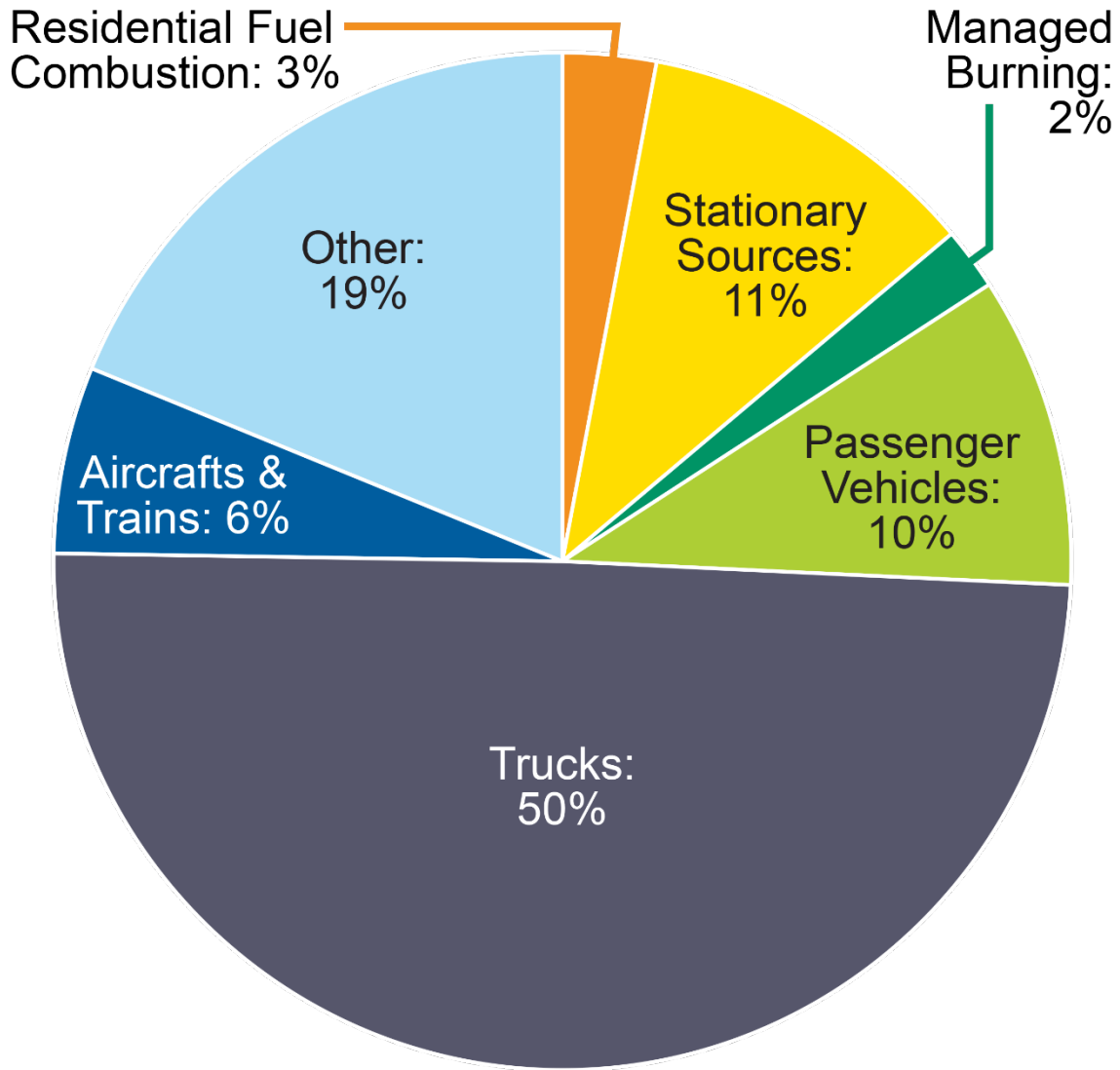
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Major Goods Movement Corridor



- Nation's #1 Agricultural Producer
- Home to Large Regional and National Distribution Centers
- Major Highways Connecting Northern and Southern CA Used for Transporting Goods
- Goods movement dependent industries provide >44% of the region's employment

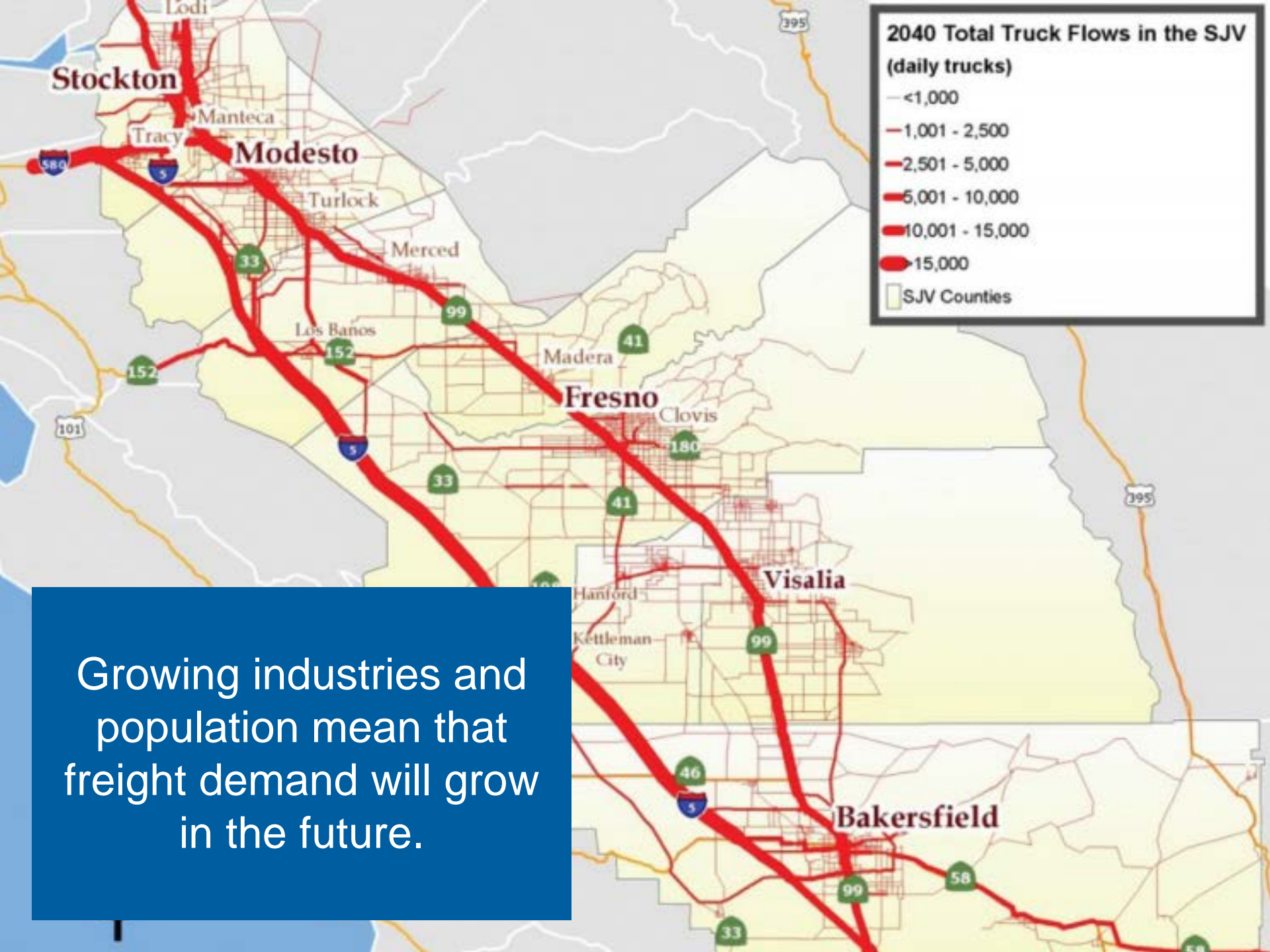


Heavy Duty Trucks are the #1 Source of Daily NOx Emissions



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Growing industries and population mean that freight demand will grow in the future.

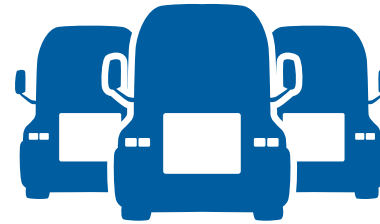
Prop 1B Truck Funding Overview



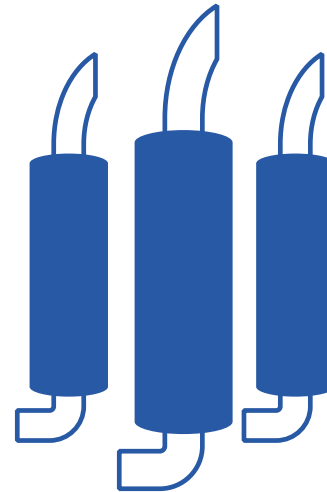
Funding Overview



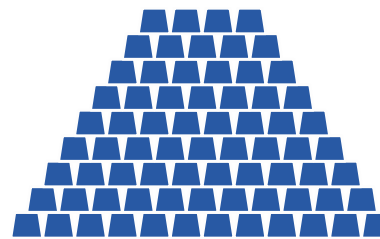
\$140+
million awarded



2,835
trucks replaced



127
retrofits installed



720+
tons of PM reduced



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Funding Overview

		Current Truck			
		<u>Class 8</u> HHD engine <u>Engine Model Year</u> 2009 or older	<u>Class 7</u> HHD/MHD engine <u>Engine Model Year</u> 2009 or older	<u>Class 6</u> MHD engine <u>Engine Model Year</u> 1998-2009	<u>Class 5</u> MHD engine <u>Engine Model Year</u> 2000-2009
New Truck	Zero Emission Engine MY 2016 or newer	\$200,000	\$200,000	\$100,000	\$80,000
	Hybrid Zero Emission Mile Engine MY 2016 or newer	\$150,000	\$150,000	\$65,000	\$50,000
	Low-NOx Nat Gas – 0.02 NOx HDO Engine MY 2016 or newer	\$100,000	\$100,000	\$50,000	\$40,000
	Hybrid Engine MY 2016 or newer	\$80,000	\$80,000	\$45,000	\$35,000
	Natural Gas HDO Engine MY 2016 or newer	\$65,000	\$65,000	\$40,000	\$25,000



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Prop 1B Eligibility Criteria



Eligibility Criteria



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



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



Fleets must be in compliance with **ARB’s Truck and Bus & Drayage Truck Regulations**



Old truck must be **currently in-use and in operational condition** and maintain this condition until replaced



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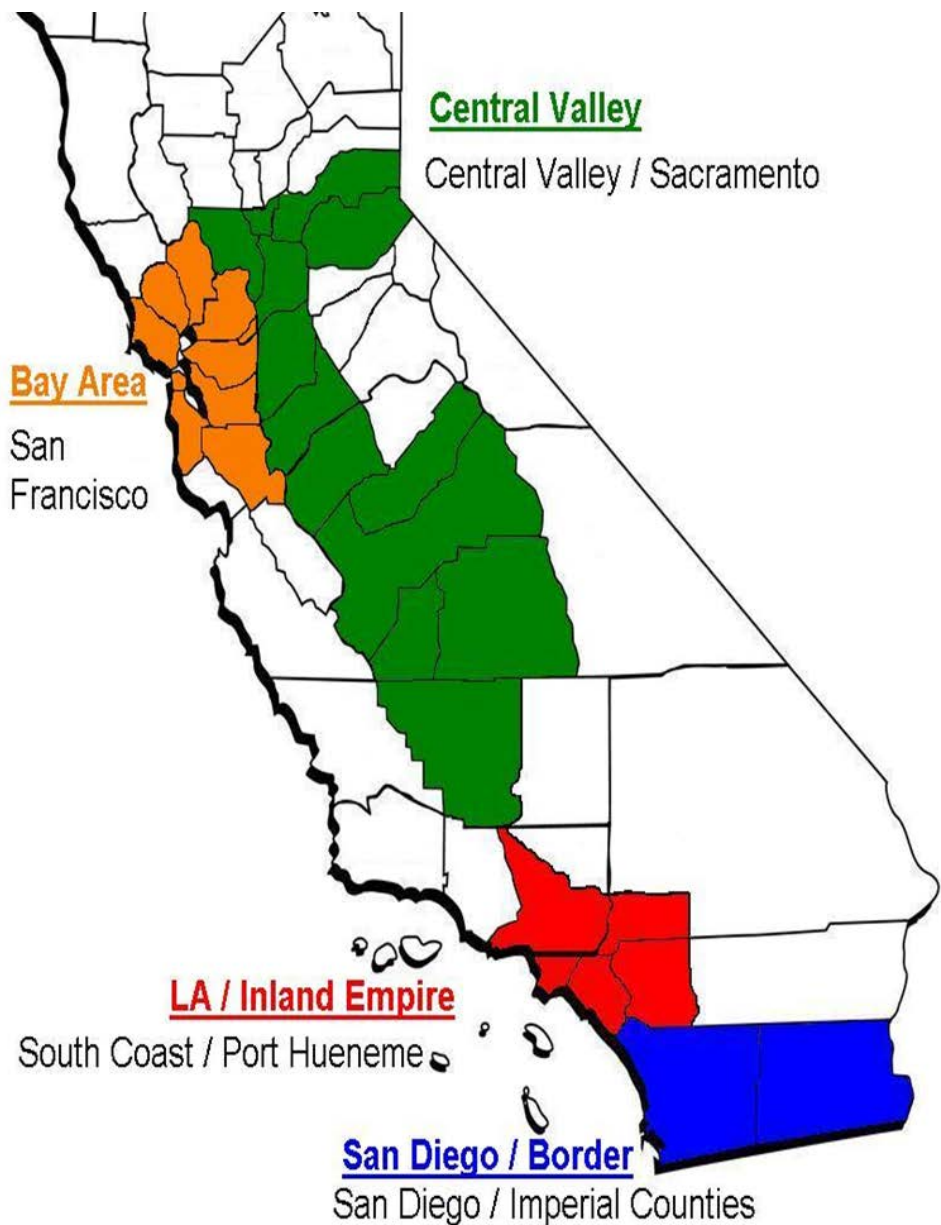
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Eligibility Criteria

Old Truck:

In the past 2 years, it must have operated:

- $\geq 75\%$ in CA
- $\geq 10\%$ in Central Valley Trade Corridor

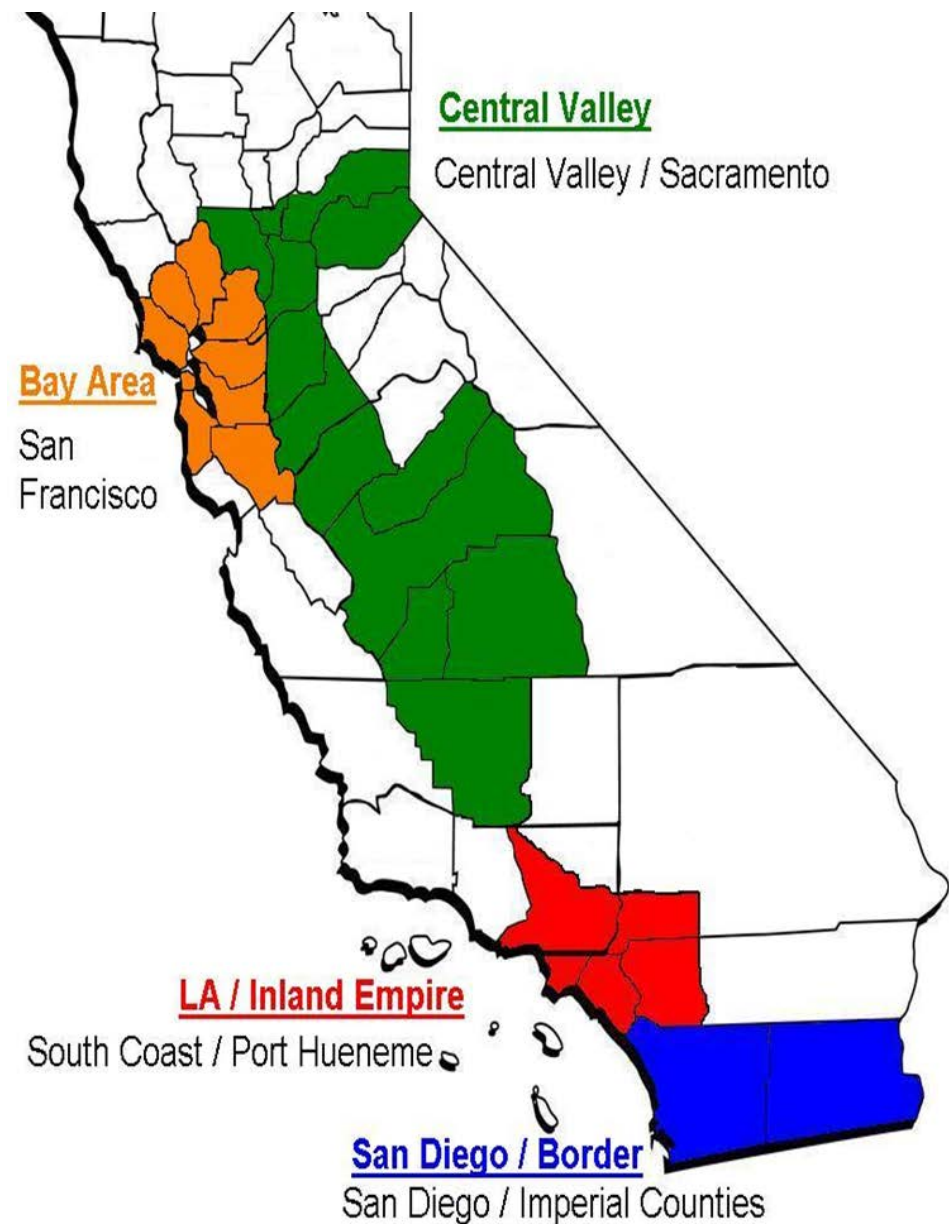


Eligibility Criteria

New Truck:

For the length of the contract, must commit to operate:

- $\geq 50\%$ of time in CA trade corridors
- $\geq 90\%$ -100% of time in CA



Prop 1B: Application Process



BACK PROPOSITION 1B: GOODS MOVEMENT



The Proposition 1B: Goods Movement Emission Reduction Program (GMERP) provides incentives to quickly reduce air pollution emissions and health risk from freight movement along California's trade corridors. Financial incentives will be provided to owners of equipment used in freight movement to upgrade to cleaner technologies through truck replacement or engine replacement. Projects funded under this Program must achieve emission reductions not required by law or regulation. Please note that the Proposition 1B Goods Movement Emission Reduction Program is not a rebate program. Any new truck or new engine purchased, or installed prior to contract execution is ineligible. Please sign up for our [Incentive Programs e-mail lists](#) for notification of when the application period opens. For additional information please call the Heavy-Duty Engine Program Staff at (559) 230-5800.

ELIGIBILITY

Class	GVWR	Engine Model Year	Usage Requirements
8	33,001 + lbs	2008 and older	20,000 miles/year
7	26,001 - 33,000 lbs	2009 and older	20,000 miles/year
6	19,501 - 26,000 lbs	1998-2009	10,000 miles/year
5	16,001 - 19,500 lbs	2000-2009	10,000 miles/year

Must be a Heavy-Duty diesel fueled truck.

Applicants must be engaged in the movement of goods within designated Trade Corridors, must have operated at least 75% in California for the past two years and 10% within in the SJVAPCD boundaries.

Applicants must agree to operate new truck 90% or 100% in California for the length of the project, depending on amount selected at the time of application.

Demonstrate that your fleet is in full compliance with the California Air Resources Board Truck and Bus regulation or applicable regulatory advisories for 2015 and 2016.

Clear outstanding ARB violations for vehicles and/or fleets.

Old truck(s) must currently be in-use and maintain operational condition until replaced.

Any truck subject to ARB's, public and utility fleet rule, solid waste collection rule, or diesel cargo handling equipment rule or performing dray-off work are ineligible to participate in this program.

APPLICATION PERIOD OPEN

APPLICATIONS DEADLINE: JUNE 28TH, 2017

Truck Replacement Options

- Form A1 – Truck Owner Information
- Form A2 – Truck Information
- Form A3 – 2 for 1 Truck Information

TRU Replacement Options

- Form D1 – TRU Owner Information
- Form D2 – TRU Information

TRU Infrastructure Options

- Form I1 – Applicant Information
- Form I2 – Location Information

- W-9 Form

Repower

- Contact District for Application

SUPPORT DOCUMENTS

- Payment and Procedures
- Claim for Payment
- W-9 Form
- Old Engine/Truck Status Form
- Certified Dismantlers
- Notice of Destruction Form
- Annual Report Form – Replacement
- Annual Report Form – Retrofit

Application Process – Required Forms

Application packet available at:

<http://www.valleyair.org/grants/prop1b.htm>



Application Process – Required Forms

- Application forms
- California **DMV** records
- Copy of **Title**
- **Mileage records**
 - A minimum of 2 records showing odometer readings that are at least 6 months apart
- **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**
- Photo of engine manufacturer's label showing **Serial Number and Family Name**




Application Process - Submission

- Completed application packets
 - Including all forms and supporting documents
- Must be received by SJVAPCD by the deadline, **July 28, 2017, 5:00 PM PDT:**
 - In-person
 - Mail SJVAPCD Strategies & Incentives
1990 E Gettysburg Ave
Fresno CA 93726
 - Email Prop1B@valleyair.org
 - Fax (559) 230 - 6112



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A close-up photograph of a person's hands writing on a document. The person is wearing a light blue button-down shirt. They are holding a black and silver pen in their right hand, writing on a white sheet of paper. Their left hand is resting on the paper. The background is blurred, showing other people in similar attire. The overall lighting is soft and professional.

Prop 1B Contracting & Implementation Guidelines

Contracting & Implementation Guidelines

After the award notification is received:

1. Sign an agreement with the SJVAPCD agreeing to project milestones and completion deadlines
 - All contracts must be fully executed by 2/1/2018
2. Purchase the new truck(s)
 - New truck(s) purchased prior to agreement execution are ineligible for funding
 - Purchase a minimum of 1-year or 100,000-mile major engine component warranty that covers parts and labor



Contracting & Implementation Guidelines

3. Scrap the old truck with a SJVAPCD contracted dismantling facility
4. Submit a claim for payment
5. SJVAPCD will perform a post-monitoring inspection on new and old scrapped truck
6. Upon confirmation, payments shall be made to:
 - The vehicle owner **and** dealership by method of two-party check only.

Note: Please allow up 60 days from the time a claim for payment is deemed complete to receive funding



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Contracting & Implementation Guidelines

7. Adhere to all program requirements during the project life (5 years or 500,000 miles)
8. Maintain replacement value insurance for the vehicle through the full term of the agreement
9. Submit annual reports to the SJVAPCD through the full term of the agreement (includes copies of vehicle registration and insurance)
10. Agree to allow the SJVAPCD or its representatives to inspect the replacement vehicle upon request

Application Process – Key Reminder

- Wait to purchase trucks until you have received a fully executed contract from the SJVAPCD
- Stay compliant with ARB Truck and Bus Regulation
- Keep truck registered, insured and in operation until replaced



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Questions?



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT

SJVAPCD's Prop 1B program:

Call SJVAPCD Incentives Department & Ask for Prop 1B Staff:

559-230-5800

❖ Sign up for SJVAPCD E-mail notifications at <http://valleyair.org/lists/list.htm>

Truck and Bus Regulation Compliance:

Call the Air Resource Board: 866-634-3735

E-mail: TRUCRS@arb.ca.gov

Website: <http://www.arb.ca.gov/msprog/onrdiesel/onrdiesel.htm>



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