



## Proposition 1B: Goods Movement Emission Reduction Program

### Funding Plan Year 4

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## Background

- The San Joaquin Valley's challenges are unmatched by any other region in the State.
  - topography, climate, geography
  - two major transportation corridors connecting northern and southern California



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#### San Joaquin Valley

- Hot, sunny summers
  - VOC, NOx
  - Ozone Problem
- Cool, foggy winters
  - Particulate problem



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## Recent Audit

- ARB reviewed the Districts grant programs including Proposition 1B
- The Audit concluded “the District’s incentives programs are efficiently and effectively achieving their emissions reduction objectives.”



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## Proposition 1B Background

- One billion dollars of voter approved funding for emission reductions
- Target goods movement emissions along California’s trade corridors
- Administered by local agencies



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## Funding

- Over \$98,488,800 in executed truck project contracts
  - 1,999 Replacement Vehicles
  - 140 Retrofit Installations
  - Estimated reductions
    - 660 tons of PM
    - 15,484 tons of NOx
- \$150 million available



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## Year 4 Guidelines

- ARB has adopted the updated guidelines for the next round of 1B funding
- Priorities
  - Truck Replacement and Repower
  - Zero-Emission Truck Projects
  - Locomotive Replacement or Upgrade



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## Truck Project Eligibility

- Heavy-duty diesel truck
  - Class 8 (GVWR 33,001 lbs and above)
  - Class 7 (GVWR 26,001-33,000 lbs)
  - Class 6 (GVWR 19,501-26,000 lbs)
- Goods Movement
- 2 years registration
  - Current year and prior year
- Mileage Documentation for the past 2 years verifying vehicle miles traveled
- 75% CA & 10% SJV operation for the past 2 years



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## Truck Project Eligibility(cont.)

- Minimum VMT in CA each year for past 2 years:
  - Class 7 and 8
    - 20,000 miles
  - Class 6
    - 10,000 miles
- No outstanding ARB violations
- Demonstrate fleet compliance with ARB Statewide Truck and Bus Rule



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## Replacement Projects

Replacement Vehicle Type	Maximum Funding		
	Old Engine MY 1994-2006		Old Engine MY 1996-2006
	Class 8	Class 7	Class 6
Model Year 2013 or Newer Engine	\$ 50,000.00	\$ 35,000.00	\$ 25,000.00
Used Model Year 2010	\$ 40,000.00		



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## Replacement Projects

- **Requirements**
  - 5 years/500,000 mile contract
  - Class must remain same for old and new truck
  - Used replacement truck mileage
    - Class 8 - less than 500,000 miles
    - Class 6 & 7 - less than 250,000 miles
  - Scrap old truck
    - Must be operational at time of scrap
  - May turn in 2 old trucks for 1 new truck
  - Agree to 90% or 100% CA only operation



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## Repower Projects

Project Type	Maximum Funding		
	Old Engine MY 1994-2006		Old Engine MY 1996-2006
	Class 8	Class 7	Class 6
Model Year 2013 or Newer <b>Heavy</b> Heavy Duty Engine	\$ 20,000	\$ 20,000	
Model Year 2013 or Newer <b>Medium</b> Heavy Duty Engine		\$10,000	\$ 10,000



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## Repower Projects

- Requirements
  - 5 years/500,000 mile contract
  - Scrap old engine
  - Agree to 90% or 100% CA only operation



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## 3-Way Truck Transaction

- Truck A- MY 1998-2006 with Level 3 PM Filter
- Truck B- MY 1993 or Older
- Truck C- New truck meets 2010 emission, same class Truck A
- *Truck B is scrapped, Truck A may be transferred to another owner.*
- Funding:
  1. \$50,000 for new Truck C if Truck A is Class 8.
  2. \$40,000 for used Truck C if Truck A is Class 8.
  3. \$35,000 for new or used Truck C if Truck A is Class 7.
  4. \$25,000 for new Truck C if Truck A is Class 6.



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## Locomotive Project Eligibility

- Diesel Freight Locomotives with no or minimal emission control technologies
- Fuel Usage of 20,000 gallons or more annually
- 50% operation in California Trade Corridors & 10% SJV operation for the past 2 years



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## Locomotive Projects

- Opportunity to Replace, Rebuild or Repower

Unit	Switcher (1,006-2,300 HP) or Medium Locomotive (2,301-4,000 HP)	Line-Haul (4,001+ HP)
If operational by 12/31/15	Lower of 60% of cost or \$1.8 Million	Lower of 70 % of cost or \$2.1 Million
If operational by 12/31/16	Lower 50% of cost or \$1.5 Million	Lower of 60% of cost or \$1.8 Million

- Locomotive Emissions Capture and Control System
  - Up to 50% of eligible costs for emission treatment systems




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## Other Funding Opportunities

- **Truck Electrification Infrastructure**
  - Maximum funding 50% of eligible costs
  - Must meet .10 pounds of weighted emissions per grant dollar
  - Total reimbursement based on demonstrated first year usage
  - 10 Year Project life
- **Ships at Berth**
  - Grid-Based Power
  - Non-Grid Based Power
  - Ship Emissions Capture and Control System
- **Commercial Harbor Craft**
  - Repower and Replacement Options
- **Cargo Handling Equipment**
  - Repower or Replace rubber tired gantry crane or replace a yard truck with zero-emission units




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## Program Process

- Applications from District to ARB due March 15, 2013
- ARB awards funding – June 2013
- Applications available to public – Summer 2013
- Applications reviewed and ranked
- Pre-inspection of the current equipment
- Sign contract with the District
  - After execution, new equipment can be purchased
- Claim submitted
- Post inspection of new equipment and old scrapped equipment
- Check issued for the eligible agreement amount




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## Contact Information

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## Public Comment and Questions



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