



FREQUENTLY ASKED QUESTIONS

What is the Goods Movement Emission Reduction Program?

The Goods Movement Emission Reduction Program (GMERP) is an incentive program sponsored by a one billion dollar state bond measure passed by voters in 2006. The program partners the Air Resources Board (ARB) and the Sacramento Metropolitan Air Quality Management District (SMAQMD) to offer assistance to owners and operators of on-road heavy duty vehicles, including those servicing ports and rail yards, marine vessels, and line-haul locomotives with the purchase of new equipment and technologies. The goal of the measure is to improve public health by reducing pollution associated with diesel emissions from goods movement throughout the state of California.

How much funding is available?

The SMAQMD has received \$14.25 million for our goods movement program during the second funding phase in 2008. The District will also be competing later this year and in subsequent years for up to \$250 million statewide, meaning millions of dollars are available to the District in the future. Applicants will be eligible for up to **\$50,000** for each vehicle replacement and up to **\$5,000** for each engine retrofit that qualifies. ARB has placed an emphasis on retrofit projects for the SMAQMD's second 2008 funding phase.

When will funding be available?

The state adopted the GMERP guidelines on February 28, 2008; second phase funding will be available starting July 7, 2008. The closing dates are July 31, 2008 for locomotives and August 29, 2008 for heavy duty vehicles.

What vehicles are eligible under the Goods Movement Emission Reduction program?

- Any class 8 heavy-duty diesel vehicle used in goods movement operating in California, including port trucks (minimum 150 port trips per year), rail yard trucks, marine vessels, and line-haul locomotives
- Vehicle Replacement - Old vehicle must be over 33,000 lbs GVWR (Class 8) with a 2003 or older model year diesel engine.
- Retrofit - Vehicle must be over 33,000 lbs GVWR (Class 8) with a 2006 or older model year engine
- Old vehicle must be currently owned by the applicant and show continuous or partial year registration and insurance for the current and prior two years. If partial year registration, vehicle must travel at least 10,000 miles per year for the previous two years and is ineligible for default miles
- ARB approved vocation – See vocation chart on the Applicant Checklist, page 2
- Old vehicle shows at least 50% operation on trade corridor(s)
- Old vehicle must be in operational condition
- Old vehicle must be turned in for salvage in the same operating condition as in first inspection to a participating dealer (Vehicle Replacement only)
- New vehicle must meet 2007 emission standards (1.20 g/bhp-hr NOx & 0.01 g/bhp-hr PM FTP CERT)
- Retrofit must be level 3 ARB verified and meet 2009 NO₂ standard
- New equipment must perform 100% operation in California with 50% of travel in the trade corridors for the duration of the contract term

How will applications be chosen for funding?

We will use a competitive process to rank and choose the most cost-effective projects based on the total lifetime emission reduction of each project. It is up to the applicant to choose (on the application) how much funding and what length of contract he/she would like to apply for based on the following options:

ENGINE RETROFIT		VEHICLE REPLACEMENT	
Contract Term	Funding Request	Contract Term	Funding Request
4 years	≤ \$5,000	4 years	≤ \$25,000
		8 years	≤ \$50,000

How do I apply for funding?

- Determine what contract length (4 or 8 years) you would like to apply for.
- Determine how much funding (up to the above listed maximum) you would like to apply for.
- Submit (1) a completed application (including Sacramento County Payee Data Record and supplemental application form); (2) other required supporting documentation (refer to Applicant Checklist); and (3) proof of identity to the SMAQMD.
- Once the application acceptance period ends, District staff will begin the application ranking, verification, and inspection process. **Incomplete applications will be rejected.**

What documentation is required?

Use the Applicant Checklist to help identify which information will be required for your application. All required information must be submitted with a completed application. District staff will be available to help with questions during the open application period (see dates above). After the application period closes, no other documentation will be accepted.

How do I submit proof of my required documentation?

Proof of Identity – submit a copy of a government issued identification.

Vehicle titles – must be a complete copy of the document, registered owner(s) must be the same as the applicant, and title must be free of lienholders (leased vehicles do not qualify).

Vehicle insurance – current and prior 2 years - submit a copy of your policy coverage that includes the coverage amount of at least \$1,000,000 per accident for bodily injury and property damage **and** also specifies the vehicle(s) covered under the policy.

Vehicle registration – current and prior 2 years - copies of DMV registrations showing vehicle identification, dates, and owner information; DMV history printouts are also accepted, please check with DMV on the process, cost, and time needed to receive the history printouts. Partial year registrations will be accepted, but NOT if applying using default mileage.

Mileage – past 2 years - copies of fuel receipts, job tickets, or maintenance records may be use for proof of mileage **IF** documents show vehicle identification, dates, and odometer readings/trip mileage.

Default Mileage – no documentation needed, please follow Applicant Checklist instructions.

Vehicle Vocation – documents listing body type and business role **OR** a letter from the applicant stating body type and business role. See the Applicant Checklist, page 2 for ARB vocation list.

Replacement Vehicle Price Quote and Specification Sheet – originals or copies of dealer provided information. Price quotes *must include pricing information for all vehicle parts*. For retrofit applications, the price quote and spec sheet will be required after application acceptance.

Replacement Engine ARB Certification – engine must pass above specific emission levels. For more information see <http://www.arb.ca.gov/msprog/onroad/cert/cert.php>. Applicant shall provide a copy of the ARB Executive Order at the time of application.

Retrofit Identification and ARB Certification – NOT required at the time of application. A copy of the ARB Executive Order will be a requirement after the District accepts your application for funding. For more information see <http://www.arb.ca.gov/diesel/verdev/level3/level3.htm>.

What are default miles and why would I use them?

Default miles are estimated average yearly miles driven by an associated truck model year derived from California state data. The benefit of using default miles is that there is no needed mileage documentation. Default miles can not be used on the application if submitting partial year registration because partial year registration requires a verification of at least 10,000 miles/year.

What is the available funding amount for locomotives?

Partial funding is available for the lower of 50% or \$1 Million per locomotive to replace or rebuild an uncontrolled, Tier 0 or Tier 1 line-haul locomotive with a new Tier 2 or lower-emission engine.

What happens if my application is accepted for funding?

If the District accepts your application for funding, you will have to go through various steps before receiving state grant monies. All vehicles, whether applying for a retrofit or replacement, are required to undergo several inspections prior to final funding approval; funding is not guaranteed until all inspections verify compliance with program requirements.

A pre-inspection will be performed on all vehicles in order to verify actual vehicle and engine information provided in the application. If all information is found to be accurate, and once a signed contract is executed, applicants may proceed with the selection and purchase of either retrofit equipment or a new vehicle. Inspection staff will then perform a post inspection of the newly retrofitted equipment or the new vehicle. For vehicle replacement projects only, the old vehicle being turned in for salvage will be subject to a pre-salvage inspection; this step is done to make sure the vehicle is in operating condition similar to that documented during the pre-inspection before going to a participating salvage yard. The final inspection for vehicle replacement projects is a salvage inspection. This last step will take place at the salvage yard to confirm that both the vehicle and engine have been destroyed per District specifications.

When can I purchase retrofit equipment or a new vehicle if my application is accepted?

A signed contract between you and the District must be in place before any new equipment or a new vehicle can be ordered or purchased. If you purchase equipment prior to this step, you will be denied funding.

How does the payment process work for approved applications?

Once your application has undergone the initial approval process, there are three steps the project must go through in order to receive your final funding check from the District: (1) a post inspection of installed equipment completed by District inspection staff; (2) submittal of a final invoice from the participating equipment dealer detailing the total cost of the new equipment; (3) receipt by the District of the participant-signed invoice requesting release of funds for payment. Checks can either be 1- or 2-party checks with the participant, the dealer, or both. **For vehicle replacement projects, a post and a pre-salvage inspection must be completed** before the participant invoice can be submitted to the District for payment.

What will I be required to do once I am in the Goods Movement program?

Participants in the program will be responsible for keeping all funded equipment in good operational condition throughout the entire contract period. Operating the vehicle outside of the State of California is prohibited during the contract period. Additionally, you will be required to maintain liability insurance on equipment funded through the Goods Movement program and provide insurance verification documents on an annual basis. You will also be required to submit an annual usage survey on all equipment under contract. The survey form is simple to complete and allows the District to track contract compliance, as well as the actual pollution reduction achieved by your project. Finally, you may be subject to financial and/or on-site audits of your equipment. District inspection staff regularly conducts audits of projects found in non-compliance with contract requirements and also schedule them on a random basis.

What happens if I do not meet the requirements of my contract?

If you fail to meet the requirements of your contract with the District, you may transfer your contract to a new equipment owner who can satisfy the remaining requirements of your contract. If another party does not accept and fulfill your contract requirements, your contract remains in non-compliance status and the District may refer your project to our legal department for further action. In addition, you may become ineligible from participating in future incentive programs if you do not meet the current contract stipulations.

Who do I contact if I have more questions?

Our website has helpful information, but you may also call us at the district. If you have questions about documentation, the process, or anything else, please do not hesitate to contact us.