Proposition 1B / Goods Movement Funding in the Sacramento Region

Sacramento Metropolitan Air Quality Management District

www.airquality.org/mobile/goodsmovement/index.shtml
GMERP Overview

- The Goods Movement Emission Reduction Program is funded with $1 billion from Proposition 1B Transportation Bond funding.
- $150 million approved by the California Air Resources Board in July 2013.
- Regional allocations are based on air pollution, population, and federal air quality goals.
- Similar to other incentive programs.
Goods Movement

• Goods Movement is the transportation of items to an end user for a fee
• Includes sales, shipping, distribution, and delivery of goods
• Trade Corridors include:
  – Central Valley
  – San Francisco Bay Area
  – Los Angeles / Inland Empire
  – San Diego / Imperial Valley
• Heavy-Duty Truck Funding Only
Old truck requirements

• Manufacturer’s GVWR 19,501 lbs or greater on application; verified at pre-inspection
• At least 75% CA operation past 24 months
• Annual vehicle miles traveled (VMT) in California each year for the past 2 years:
  – At least 20,000 miles for Class 8 trucks (33,001 lbs GVWR or greater).
  – At least 20,000 miles for Class 7 trucks (26,001 - 33,000 lbs GVWR).
  – At least 10,000 miles for Class 6 trucks (19,501 - 26,000 lbs GVWR).
Old truck requirements - continued

• Current and prior registration for the past 2 years.
  – California base-plated registration, OR
  – California International Registration Plan (California IRP), OR
  – Dual-plated registration (California based-plated / California IRP and Mexico only) for trucks carrying goods across the California-Mexico border, as they are required to be dual-plated.

• The past 2 years means
  – the current year (1-12 months prior to application date) and
  – prior year (13-24 months prior to application date).
Heavy Duty Trucks

• Old trucks ineligible for funding
  – Already covered by these rules:
    • Public and Utility Fleet Rule
    • Diesel Cargo Handling Equipment Rule
    • Solid Waste Collection Vehicle Rule
  – Not in compliance with the Statewide Truck and Bus Rule
  – Registered outside of California
  – Salvaged

• NO RETROFIT FUNDING AVAILABLE
Am I Eligible?

- Owner-Operator (1 truck)
  - 1996-2006 Class 7/8 truck must have DPF
- Small Fleet (2-3 trucks)
  - One truck must have DPF
- Large Fleet (4 or more trucks)
  - Must show compliance with 90% Phase-In
- Most 1994-1995 trucks are eligible
- Most 1996-2006 Class 6 trucks are eligible
- Ag or Construction Exempt only 2-for-1
  - Minimum 20,000 mi/yr combined mileage
- Drayage Trucks are NOT eligible for funds
Heavy Duty Trucks

General Contract Term Requirements

- Applies throughout contract term
- Maintain compliance with the Truck and Bus Rule
- 90% or 100% CA-only operation
- CA base-plated registration or CA IRP
- Maintain CA base-plate registration or IRP
- At least 50% operation in trade corridors
- Inspections, audits, reporting
- Maintain insurance for replacements
Heavy Duty Trucks Replacement

General project requirements

• Eligible old trucks include:
  – Class 8 or Class 7 truck with a MY1994-2006 engine
  – Class 6 truck with a MY1996-2006 engine

• Maximum replacement truck odometer, with verification during post-inspection:
  – Class 8 (less than 500,000 miles)
  – Class 7 (less than 250,000 miles)

• OEM engine installed in chassis with same model, year, make as originally built
• Replacement truck is the same weight class as old truck
  – Exceptions:
    • 2-for-1 funding based on weight class of new truck
      – Old (Class 6 + Class 7) for new Class 6 = Class 6 funding
      – Old (Class 6 + Class 7) for new Class 7 = Class 7 funding
      – Old (Class 6 + Class 8) for new Class 8 = Class 8 funding
      – Old (Class 7 + Class 8) for new Class 7 = Class 7 funding
      – Old (Class 7 + Class 8) for new Class 8 = Class 8 funding
    • 1-for-1 funding for HHD trucks based on Class 7 funding
      – Old Class 7 for new Class 8 = Class 7 funding
      – Old Class 8 for new Class 7 = Class 7 funding
      – Both old and new trucks must have HHD engine
• Contract of 5 years or 500,000 miles
• Minimum 1-year/100,000 mile engine warranty
Replacement truck engines

• Certified by ARB Executive Order
• 2010 emissions
  – 0.20 g/bhp-hr or less NOx (FEL and CERT values)
  – 0.01 g/bhp-hr or less PM (CERT value).
• Class 8 trucks
  – HHD for diesel engines
  – HDO for applicable alternative fuel vehicles.
• Class 7 trucks
  – MHD or HHD for diesel engines
  – HDO for applicable alternative fuel vehicles.
Heavy Duty Trucks Replacement

• Class 6 trucks
  – MHD for diesel engines
  – HDO for applicable alternative fuel vehicles.

• Class 6-8 trucks
  – All heavy duty hybrid or electric vehicles shall follow ARB’s Heavy Duty Hybrid Electric Vehicle Certification Procedure

• Applicants can use HVIP funding towards the purchase of alternative fuel vehicles
  – Applicants replacing a diesel truck with an electric truck (zero emission) receive priority funding
# ARB Executive Order

## Engine Model Year

- Engine family number

## Intended Service Class

## Certification of Emission Rates for Engines Used in CA

## Eligibility for Funding Programs

### Table: (Data extracted from the image)

<table>
<thead>
<tr>
<th>Engine Model Year</th>
<th>Engine Family Number</th>
<th>Fuel</th>
<th>Intended Service Class</th>
<th>Certification of Emission Rates for Engines Used in CA</th>
<th>Eligibility for Funding Programs</th>
</tr>
</thead>
</table>

**Certification of emission rates for engines used in CA:**

1. Eligibility for funding programs

2. Certification of emission rates for engines used in CA

8/21/2013
<table>
<thead>
<tr>
<th>MODEL YEAR</th>
<th>ENGINE FAMILY</th>
<th>ENGINE SIZES (L)</th>
<th>FUEL TYPE</th>
<th>STANDARDS &amp; TEST PROCEDURE</th>
<th>INTENDED SERVICE CLASS</th>
<th>ECS &amp; SPECIAL FEATURES</th>
<th>DIAGNOSTIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>DDDXH15.6GED</td>
<td>15.6</td>
<td>Diesel</td>
<td>Diesel</td>
<td>HHDD</td>
<td>DDI, TC, CAC, ECM, EGR, OC, PTOX, SCR-U, AMOX</td>
<td>OBD ($)</td>
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</tbody>
</table>

**PRIMARY ENGINE'S IDLE EMISSIONS CONTROL**

- ADDITIONAL IDLE EMISSIONS CONTROL

- ENGINE (L) 30g
- ENGINE MODELS / CODES (rated power, in hp)
- See attachment for engine models and ratings

---

<table>
<thead>
<tr>
<th>MODEL YEAR</th>
<th>ENGINE FAMILY</th>
<th>ENGINE SIZES (L)</th>
<th>FUEL TYPE</th>
<th>STANDARDS &amp; TEST PROCEDURE</th>
<th>INTENDED SERVICE CLASS</th>
<th>ECS &amp; SPECIAL FEATURES</th>
<th>DIAGNOSTIC</th>
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</thead>
<tbody>
<tr>
<td>2010</td>
<td>ACEXH0505CAC</td>
<td>8.3</td>
<td>Diesel</td>
<td>Diesel</td>
<td>MHDD</td>
<td>DDI, TC, CAC, ECM, EGR, OC, PTOX, SCR-U</td>
<td>EMD</td>
</tr>
</tbody>
</table>

**PRIMARY ENGINE'S IDLE EMISSIONS CONTROL**

- ADDITIONAL IDLE EMISSIONS CONTROL

- ENGINE (L) 30g
- ENGINE MODELS / CODES (rated power, in hp)
- See attachment for engine models and ratings
The NOx CERT value is 0.07 g/bhp-hr and is **LESS** than the STD value of 0.20. This engine is in the 0.20 g/bhp-hr category.

<table>
<thead>
<tr>
<th>in g/bhp-hr</th>
<th>NMHC</th>
<th>NOx</th>
<th>NMHC+NOx</th>
<th>CO</th>
<th>PM</th>
<th>HCHO</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FTP</td>
<td>EURO</td>
<td>FTP</td>
<td>EURO</td>
<td>FTP</td>
<td>EURO</td>
</tr>
<tr>
<td>STD</td>
<td>0.14</td>
<td>0.14</td>
<td>0.20</td>
<td>0.20</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>FEL</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>CERT</td>
<td>0.000</td>
<td>0.000</td>
<td>0.07</td>
<td>0.02</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>NTE</td>
<td>0.21</td>
<td>0.30</td>
<td>*</td>
<td>19.4</td>
<td>0.02</td>
<td>*</td>
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</table>

The NOx FEL value is 0.31 g/bhp-hr and is **GREATER** than the CERT value of 0.18. This engine NOT eligible for funding.
# Heavy Duty Trucks Replacement

## Funding Options

<table>
<thead>
<tr>
<th>Weight Class</th>
<th>Maximum Funding</th>
<th>Truck Condition</th>
<th>Eligible Engine MY</th>
<th>Emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class 8</td>
<td>$50,000</td>
<td>New</td>
<td>MY2013 or newer</td>
<td>0.20 g/bhp-hr NOx</td>
</tr>
<tr>
<td></td>
<td>$40,000</td>
<td>Used</td>
<td>MY2010 or newer</td>
<td></td>
</tr>
<tr>
<td>Class 7</td>
<td>$35,000</td>
<td>New or Used</td>
<td>MY2010 or newer</td>
<td>0.01 g/bhp-hr PM</td>
</tr>
<tr>
<td>Class 6</td>
<td>$25,000</td>
<td>New</td>
<td>MY2013 or newer</td>
<td></td>
</tr>
</tbody>
</table>

AB 118 funds, if available, may be added for projects utilizing a zero-emission engine. Electric trucks receive priority funding.
Applications for engine repowers are accepted
Must use new 2013 engine with DEF
Subject to engine manufacturer approval
Please contact staff for more details after successful engineering evaluation by OEM
Up to $20,000 per truck
Application Ranking

Emission Reduction (ER) Score
• Average annual miles for past 24 months
• (Old engine emissions) – (New engine emissions), NOx + (PM x 20)
• Multiplied by contract term
• Sorted from highest to lowest and scored

Cost Effectiveness (CE) Score
• Emissions reduction (pounds) divided by requested funding (lb/$)
• Sorted from highest to lowest and scored

Ranking Score = ER Score + CE Score
• Sorted from highest to lowest
• Highest ranked projects funded first up to available funds
• Rejected applicants will be informed of their ranking
Current Application Solicitation Period

- Year 4 Solicitation Period
  - August 26, 2013 – October 10, 2013
- Available funding: $7.4 million awarded to SMAQMD
- Solicitations for On-road diesel truck replacements and repowers
- Applications will be accepted only during the Solicitation Period and will be date stamped upon receipt
- Applications will be ranked for Emission Reductions and Cost Effectiveness
- A second solicitation for a backup funding list will follow beginning October 11, 2013

8/21/2013
Approval Process

- Application Period
  - 8/26/13 – 10/10/13
- Evaluation Period
  - Fall / Winter 2013
- Pre-Inspections
  - Winter 2013 / 2014
- Ranking of Projects
  - Late Winter / Spring 2014
- Contracting & Ordering
  - Spring 2014

Purchasing Process

- Vehicles cannot be ordered before ranking
- Vehicles cannot be purchased before contracting
- Plan on ordering vehicles in Spring 2014 with deliveries in Summer – Fall 2014
- Trucks must be delivered by 12/31/2014
- Applicants must be compliant with ARB at delivery
• New statewide application
• Truck Replacement
  – A1 + A2 + attachments
• 2-for-1 Truck Replacement
  – A1 + A2 + A3 + attachments
• Engine Repower
  – A1 + A4 + attachments
• Sacramento County Payee Data Record (all applicants)
SMAQMD Form A1

- Form A1
- Applicant Information – Heavy-Duty Trucks
- Required for all project applications
- Old SMAQMD or SECAT applications are NOT acceptable and will be rejected
SMAQMD Form A1

- Applicant Information
  - Business Information
  - TRUCRS / CA MCP
  - Fleet Size
- Project Information
- ARB Compliance
  - Flex Schedule Certificate
  - Model Year Schedule Certificate

Applicant Certification
- Please read and agree to all the legal terms and conditions
- The Owner must be the registered owner of the vehicle or designated by the company to apply for funding for the vehicle
ARB Compliance

- Issued-to name
  - Same as on application
- Reported Fleet Size
- TRUCRS ID
SMAQMD Form A2

GOODS MOVEMENT EMISSION REDUCTION PROGRAM APPLICATION

FORM A2: Equipment Information – Heavy Duty Truck Replacement
(Complete 1 Form per truck)

I. EXISTING TRUCK AND ENGINE INFORMATION

Vehicle Identification Number (VIN): [Redacted]

Manufacturer: [Redacted]

Gross Vehicle Weight Rating (GVWR): [Redacted]

Load Limit: [Redacted]

II. ENGINE INFORMATION

Engine Model Year: [Redacted]

Engine Serial Number: [Redacted]

Fuel Type: [Redacted]

Tonnage: [Redacted]

Tonnage of 1985 or earlier model year trucks: [Redacted]

III. EXISTING TRUCK AND Replacement ENGINE EMISION REDUCTION LEVEL

Exhaust and Brake Horsepower (bhp): [Redacted]

Exhaust Emissions Test (EET) Test Date: [Redacted]

IV. ATTACHMENTS - PLEASE INITIAL AND ATTACH THE FOLLOWING DOCUMENTS TO COMPLETE YOUR APPLICATION

One [ ] Form A1 per applicant with original signature by authorized representative

Copy of current DMV Registration

Copy of Existing Vehicle Title

IV. IMPORTANT NOTES

A. Submit completed Forms A1, A2, and all required attachments listed above to the District by the requested due date.

B. Do Not Purchase New Equipment. Law equipment funded by this program can only be purchased once the contract is signed between the equipment owner and this District. An equipment owner may never purchase new equipment prior to contract execution and after posting of District rank list at the equipment owner’s risk.

C. Keep Existing Truck Registered and in Operation. Existing equipment must maintain continuous DMV registration and be in an operating condition at a similar activity level to that listed in the application until the equipment has been reclassified to a District approved disassembly.

D. Stay Current. Owners must remain compliant at all times with the Airs Trust and Bus Regulations without the assistance of any grant fund requested in the application.

E. Funding Availability in 2013. Funding is not guaranteed to be distributed in 2013 for eligible projects due to the anticipated timeframe for project evaluation. Applicants are highly encouraged to plan in advance to have all new equipment purchased in 2014 for compliance purposes, and to make sure their fleet is compliant with the 2014 requirements of the Airs Trust and Bus Regulation. Replacement of existing equipment included in the application, or the replacement equipment being purchased, cannot be used to demonstrate compliance with the 2014 requirements.
• Truck Replacement
• Truck Information
  – Fleet ID is your ID
  – Truck GVWR not DMV registered weight
• Engine Information
• Vocation / VMT
• New Equipment
  – Choose 1 option per truck application
  – You may request less than the maximum funding

• Attachments
  – Current DMV Registration
  – Existing Vehicle Title (clean – no signatures)
  – DMV Vehicle Registration Information Record
  – Records showing current and historic odometer reading (or PTO)
  – Proof of 24 months vehicle insurance
  – Photograph of door tag showing VIN and GVWR
GVWR Example

Correct GVWR

NOTE
CHASSIS WEIGHT INCLUDES CAB AND CHASSIS, BUT WITHOUT DRIVER, BODY, AUX. POWER DEVICES OR EQUIPMENT

CHASSIS WEIGHT
16,630 lb

GROSS WEIGHT
52000.00

ABOVE INFORMATION VALID AT TIME OF MANUFACTURE

06/06/2013
ECL Requirement

• Applicants must prove the engine model year at Pre-Inspection

• Engines with Emission Control Label (ECL) meet this requirement

• If an ECL is not available or cannot be installed, the applicant MUST have an exemption letter in the truck at the time of Pre-Inspection
Clean Title

- Registered owner(s) listed must be the same as on the application, or under common ownership which is required to be disclosed.
- No interest-release signatures
- No lienholders listed
- No lienholder signatures
## DMV Registration Information Request Form

- Last 8 vehicle registration transactions.

### Type Transaction Codes (TTC)
- **F00** = Registered Owner Transfer
- **F10** = Legal Owner Transfer
- **H00** = Stickers/Plates/Reg Cards/Renewal
- **H05** = Renewal/Reg Card Expedite
Documents must show -

- Date odometer reading or fuel purchased
- Odometer miles or fuel gallons purchased
- Truck identifier
  - VIN
  - License plate #
  - Fleet ID #
Vehicle Usage
Examples Cont.

- Truck identifier
  - Fleet ID #
  - VIN

- Odometer

- Date
Insurance Requirements

• Currently active Certificate of General Liability Insurance

• Minimum $1,000,000 General Liability per occurrence for bodily injury, personal injury, and property damage or $2,000,000 General Aggregate

• Minimum $1,000,000 Automobile Liability per accident for bodily injury and property damage

• Comprehensive and Collision coverage sufficient to replace funded equipment
Insurance Documentation

Certificate of Liability Insurance

- Named insured
- Current policy dates
- General Liability coverage
- Automobile Liability coverage
  - If listed, policy date must be for past 24 months
  - May be separate documents such as cab cards
- ONLY FOR REPLACEMENT TRUCK will SMAQMD will be listed as Certificate Holder
SMAQMD Form A3

- Essentially a duplicate of Form A2
- Required for 2-for-1 truck replacement applications
- Second vehicle information
- Maximum of 2 old vehicles per new vehicle
- New truck information on Form A2
• Used for engine repowers only
• Must be 2013 compliant (new w/ DEF)
• Need engineering approval from the engine manufacturer approving installation in the existing vehicle with application
• Detailed cost quote and specs required with the application
Payee Data Record

- Tax information required by the County of Sacramento for payment
- Payee name & address must match IRS records on file
- Payee must match the application
- Available for download at:
• Applicant Information
  – SMAQMD Form A1 – one page
  – Certificate of Liability Insurance
  – Sacramento County Payee Data Record
• Vehicle Information
  – SMAQMD Form A2 – two pages
  – Current DMV Registration
  – Copy of Clean Title
  – DMV Vehicle Registration Information Record
  – One current mileage record
  – One historic mileage record (6+ months old)
  – Proof of 24 months insurance (letter OK)
  – Photograph of VIN / GVWR
Multiple Vehicles

Are you submitting an application for multiple vehicles?
- One (1) Form A1 per company
- One (1) Form A2 per truck
- Attachments per truck
- One (1) Payee Data Record per company
Other Funding Sources

• Carl Moyer Program
  – Off-road repower & Equipment replacement

• SECAT Program
  – Applications Spring 2014
  – On-road replacement

• TIMBER Program
  – On-road replacement for dedicated logging trucks
  – Applications Fall 2013
GMERP Contacts

- www.airquality.org/mobile/goods movement/index.shtml
- Kristian Damkier  
  – (916) 874-4892  
  – kdamkier@airquality.org
- Patrick Robinson  
  – (916) 874-6276  
  – probinson@airquality.org
- Any local truck or engine dealer