



# **Notice of Funding Opportunity**

Title: BAAQMD Goods Movement Emission Reduction Program – Trucks (Class 5, 6, 7, and 8)

Website: https://www.baaqmd.gov/funding-and-incentives/businesses-and-fleets/goods-

movement-program-and-vendor-list/goods-movement-trucks

Funding: Total: \$20,000,000. Maximum awards: \$10K-\$200K, depending on truck class and

upgrade option.

**Dates:** Application Submission Deadline: January 15, 2021

**Summary:** The Proposition 1B: Goods Movement Emission Reduction Program is a partnership between the California Air Resources Board, or CARB, and local agencies to quickly reduce diesel emissions and health risk from freight movement along California trade corridors. Projects funded under this program must achieve early or extra emission reductions not otherwise required by law or regulation. The Air District administers the Goods Movement Program for the Bay Area and is currently accepting Goods Movement Program truck project applications for projects to replace or repower existing commercial diesel-fueled trucks with new alternative-fueled equipment, install charging and fueling infrastructure, or install truck-stop electrification with grant funding.

# **Project Topic Areas:**

The following projects are eligible for funding under this program:

- 1. Equipment/vehicle replacement replace freight-hauling diesel trucks (class 5-8, medium-duty and heavy-duty engine cycles only) with the cleanest available equipment.
- 2. Engine repower (small fleets only) repower diesel truck engine with 2019 or newer zeroemissions or alternatively fueled engine.
- 3. Truck stop electrification install electric infrastructure to reduce diesel engine idling where trucks congregate.
- Charging and fueling infrastructure install electric charging or hydrogen fueling infrastructure for trucks.

#### **Funding:**

About \$20 million in grant funding is available for heavy-duty trucks and their electric-charging and hydrogen-fueling infrastructure, and other equipment including transportation refrigeration units (TRUs), cargo-handling equipment, shore power, and locomotive projects. Except for locomotives and hybrid diesel trucks, all replacement equipment must be non-diesel fueled. Eligible projects may be funded at the lower of 50% or \$30,000 for the purchase of electric charging or hydrogen fueling units for one vehicle. In addition, the equipment owners must demonstrate proof of equipment warranty of at least three years, commit to a five (5) year project life, and comply with all local permitting requirements.

Upgrade Options	Class 5	Class 6	Class 7/Class 8
Zero Emission Truck*	\$80,000	\$100,000	\$200,000
Hybrid Truck Capable of Zero Emission Miles*	\$50,000	\$65,000	\$150,000
Low-NOx (0.02g/bhp-hr) Truck*	\$40,000	\$50,000	\$100,000
Hybrid Truck*	\$35,000	\$45,000	\$80,000
Natural Gas Truck*	\$25,000	\$40,000	\$65,000
Engine Repower**	NA	\$10,000	\$20,000
Electric Charging / Hydrogen Fueling	\$30,000 or 50% of eligible	\$30,000 or 50% of eligible	\$30,000 or 50% of eligible
Infrastructure	costs	costs	costs

<sup>\*</sup>New equipment only. New is defined as not used or previously-owned.

#### **Project Requirements:**

Heavy-duty diesel trucks

<sup>\*\*</sup>Small fleets with 3 or fewer trucks only.

- Primarily hauls commercial freight, bulk, or goods for sale or for purchase on the major CA trade corridor routes and at least 10% of annual operations in the Bay Area trade corridor (applicants may be asked to document truck vocation and usage history).
- Existing engine is medium-heavy (MHD) or heavy-heavy (HHD) duty and manufactured 2009 or earlier. Light Heavy Duty (LHD) Engine for class 5 truck may be considered.
- Has a manufacturer-rated Gross Vehicle Weight Rating (GVWR) of 16,001 lbs or heavier.
- Has traveled a minimum of 20,000 miles/year (for class 5-6 trucks, minimum of 10,000 miles/year) with at least 75% of its operations inside California for each of the past two years.
- Has been registered with CA-based DMV or CA-based apportioned (IRP) for the past two years.
- Truck and fleet currently complies with the California Truck and Bus Regulation.
- For replacement of Class 7/8 EMY 2005 or 2006 trucks: New equipment must be delivered and inspected by December 31, 2020 for alternative fuel and hybrid (0.20 NOx); by June 30, 2021, for alternative-fuel equipment (0.05 NOx); and by December 1, 2021, for zero-emission, hybrid capable of zero-emission-mile, and Low-NOx (0.02 NOx) equipment.

# Electric-charging or hydrogen-fueling infrastructure

- Equipment owner agrees to replace one or more diesel-fueled trucks in their fleet with trucks powered by the fuel type matching the charging or fueling infrastructure installed for the project.
- Applicant must meet required legal, permitting, and engineering requirements for installation.

## Truck stop electrification infrastructure

- Installed at a truck stop, intermodal facility, or distribution center within the four CA trade corridors.
- Applicant must meet required legal, permitting, and engineering requirements for installation.

## **Eligible Applicants:**

An applicant for Program funds must be both a local public entity and one that is involved in the movement of freight through trade corridors or involved in air quality improvements associated with goods movement. Owners of diesel trucks used to move goods as part of a sales transaction (a majority of the time) with a manufacturer's gross vehicle weight rating (GVWR) of 16,001 lbs or greater (Class 5 through Class 8). Owners of diesel truck stops, distribution centers, and other places where heavy duty diesel trucks congregate within the Bay Area trade corridor. Grants cannot be used for equipment already required to upgrade or be replaced by law or agreement, including equipment that is not in compliance with applicable CARB regulations.