Proposition 1B: Goods Movement Emission Reduction Program
Concepts for Updates to Program Guidelines

April 27-29, 2015

Air Resources Board
California Environmental Protection Agency
Goals

- Meet health-based air quality standards
- Reduce near-source exposure and health risks from air toxics
- Cut greenhouse gas emissions
- Provide strong incentives for production/adoptive of the cleanest technology
Prop 1B: Goods Movement
Emission Reduction Program

- $1B to reduce emissions from freight transport in the four priority trade corridors
- Upgrade diesel trucks, locomotives, ship berths, cargo equipment, and harbor craft
- Bring focus to new clean technologies
- Goal: Reduce emissions/health risk in heavily impacted communities
Early or Extra Reductions

**Key existing ARB rules/requirements:**

- Statewide truck and bus rule
- Port and rail yard truck rule
- Truck idling and refrigeration unit rules
- Locomotive/rail yard agreements
- Ship fuel and at-berth rules
- Cargo equipment rule
- Harbor craft rule
State Bond Funding Flow

Legislature → ARB → Local agency → Equipment owner

- Awarded funds to date ($718M)
- Competitive process to select projects
Program Funding to Date

- Heavy Duty Trucks: $501.6M
- Locomotives: $18.0M
- Ships at Berth and Cargo Handling Equipment: $82.4M
- Port/rail yard trucks: $114.9M
- Harbor Craft: $0.1M
Results to Date

Projects operational or in-progress

- ~12,000 trucks replacements or retrofits
- 25 locomotives upgrades
- 37 ship berths equipped with shorepower
- 3 Commercial Harbor Craft
- Estimated emission reductions
  - 2,244 tons PM
  - 85,577 tons NOx
Stakeholder Input

- To ARB on Program requirements and funding awards within each region
- To local agencies on project proposals (i.e., priorities for trucks v. rail v. ships)
Concepts for Program Guidelines

- Eligible projects
  - Regulatory requirements
  - New Technology
  - Cost
- Program administration
Concepts for Advanced Technology Trucks

• Increase funding for replacement projects including:
  o Optional low-NOx (0.02 NOx only)
  o Hybrid
  o Zero emission vehicles

• Provide funding for zero-emission repower projects

• Require all advanced technology projects to replace with a new 2015 or later engine
Concepts for
Heavy Duty Diesel Trucks

• Small fleet focus for diesel trucks
• Revise eligibility requirements for Class model years
• Reduce funding for used Class 7 and 8 diesel replacement projects
Concepts for Transport Refrigeration Units (TRUs)

**NEW OPTION**

- Eligibility requirements
  - Distribution center with private fleet
  - Trucks with TRUs regularly return to base
  - Minimum mileage
- Project options
  - Equipment
  - Infrastructure
Concepts for Locomotives and Rail Yards

• Increase funding – Tier 4
• Expand eligibility
• Operational flexibility
  o Percent California operations
  o CARB diesel fuel usage
Concepts for Ships at Berth and Cargo Handling Equipment

Cargo Handling Equipment

- Increase funding

Yard Trucks

- Repowers eligible
- Funding for multi-unit battery chargers with 3 or more trucks

Grid-Based shore power

- No change from previous guidelines
Concepts for Commercial Harbor Craft

- Choice between grant levels (based on horsepower OR percent eligible cost)
- Expand eligible equipment to include:
  - Auxiliary engines
  - Tier 2 baselines and
  - Some freight-related vessels not previously included
- Reduce area of use requirement to 51%
- Reduce required project life to 5 years
Program Administration

- Evaluate ways to make Program more effective based on prior experience
  - Longer timelines for soon-to-be available technologies
Next Steps

Tentative:

May 8: Comment deadline for concepts
June 25: Board hearing on Guidelines
July: Call for local agency proposals
August: Evaluation & workshops

Fall 2015:

• Award funds to local agencies
• Local agency solicitations for projects
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QUESTIONS?

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during the workshop to get your questions answered

Thank you