

**Air Resources Board**  
**Proposition 1B: Goods Movement Emission Reduction Program**  
**Staff Clarifications on Program Requirements**

ARB staff is providing this document to assist local agencies in Program implementation. This is a record of Local agency questions and subsequent responses by ARB staff to clarify or interpret the Program Guidelines. The content will continue to evolve and ARB staff may revise these answers. These questions and answers address very specific issues – they do not repeat the comprehensive requirements identified in the Guidelines.

**Equipment Project Implementation**

Topic	Questions and Answers	Web Posting
<b>New Truck Requirements</b>	<p><b>New Truck - Engine</b>            Q: Can you please clarify the specific requirements for new engines used in port or other trucks beyond the general definition in the Program Guidelines for Model Year 2007 emission levels?</p> <p>A: For the new engine, the Program requires an ARB certification that shows the engine was tested on the heavy heavy-duty test cycle with FEL and CERT values on the ARB engine Executive Order equal to or lower than 1.20 g/bhp-hr for NOx and 0.01 g/bhp-hr for PM.</p> <p>This Q&amp;A item was reviewed in the 7/31/08 local agency meeting and an e-mail was sent to each Local agency.</p>	2/4/09
<b>Old Truck Eligibility</b>	<p><b>Old Truck - Axles</b>            Q: Are Class 8, 2-axle trucks eligible for the program within the port or other truck categories?</p> <p>A: Yes. The Guidelines do not impose any restrictions on the number of axles on the old or new trucks. Both the old and new trucks must be Class 8 with a Gross Vehicle Weight Rating (GVWR) of 33,001 lbs..</p> <p>This Q&amp;A item was reviewed in the 7/31/08 local agency meeting and an e-mail was sent to each Local agency.</p>	2/4/09
<b>Old Truck Eligibility</b>	<p><b>Old Truck - Engine</b>            Q: What are the certification requirements for the old port or other truck engine that will be removed/scrapped? For example, will the Program fund the replacement of a medium heavy-duty engine?</p> <p>A: There are no certification requirements on the old engine that will be removed/scrapped if the truck meets the other eligibility requirements, including being a Class 8, 33,001+ lb. GVWR truck within the required Model Year (MY) range.</p> <p>This Q&amp;A item was reviewed in the 7/31/08 local agency meeting and an e-mail was sent to each Local agency</p>	2/4/09

Topic	Questions and Answers	Web Posting
<b>Old Truck Eligibility</b>	<p><b>Old Truck – Monthly and Seasonal Registrants</b>  Q: Are truck owners who register monthly or seasonally for only a few months each year eligible for the Program?</p> <p>A: Yes, partial year registration is acceptable for port or other truck applicants providing the following requirements are met:</p> <ul style="list-style-type: none"> <li>▪ The truck must have traveled 10,000 or more miles in each of the last two years.</li> <li>▪ Registration or alternate documentation should establish a pattern of regular or seasonal usage each year over the past two years.</li> <li>▪ All available California registration information should be obtained by the Local agency.</li> </ul> <p>This Q&amp;A item was discussed in the 7/3/08 Local agency meeting.</p>	2/4/09
<b>Old Truck Registration</b>	<p><b>Old Truck - Monthly and Seasonal Registration Documentation</b>  Q: Local agencies are running into some difficulties gathering documentation for trucks with monthly or seasonal registration that establishes a pattern of California registration during the past 24 months. DMV printouts show only the last 8 entries. Is ARB willing to accept proof of insurance, shipment records, and/or fuel consumption records to supplement the missing registration information?</p> <p>A: Yes. If available information obtained from DMV and supplied by the applicant does not show a registration history covering the past 24 months, the local agency can exercise its discretion to allow the applicant to supplement with alternate documentation that establishes a pattern of California operation over the last 2 years.</p> <p>This Q&amp;A item was discussed in the 12/4/08 Local agency meeting.</p>	2/4/09
<b>Old Truck Ownership</b>	<p><b>Old Truck - Ownership Documentation</b>  Q: Regarding truck retrofits and repowers for port or other trucks, the Guidelines require the local agency to collect “documentation of current ownership (copy of title of truck)” per language on pages A-5,6 and B-7. Since the truck is not being sold or scrapped, is it acceptable for the local agency to substitute current registration as proof of ownership?</p> <p>A: Yes, on truck retrofit and repower projects only, it is acceptable to collect a copy of the current vehicle registration to satisfy the ownership documentation requirement. On truck replacement projects, the owner must provide a copy of the title to demonstrate proof of ownership and clear title.</p> <p>This Q&amp;A item was discussed in the 10/23/08 local agency meeting.</p>	2/4/09

Topic	Questions and Answers	Web Posting
<p><b>Old Truck Scrappage - Payment for New Truck</b></p>	<p><b>Reimbursement Payment Option</b>  Q: In the Program Guidelines (Page 77 III.D.14), equipment project post-inspection requirements state that when the reimbursement payment option is used, the post inspection (and thus scrappage of the vehicle) must be completed before the local agency can disburse program funds to the equipment owner. This can result in a payment delay and possible reduced participation in the program. Is there a procedural change that can be implemented to expedite payment?</p> <p>A: Yes, ARB is developing Executive Order G-08-021 that will create an alternative scrappage and reimbursement procedure for truck replacement projects as follows:</p> <ol style="list-style-type: none"> <li>1. The equipment owner takes possession of the new truck from the dealer.</li> <li>2. The equipment owner or the dealer then delivers the old truck to a licensed scrappage yard within 10 calendar days.</li> <li>3. The equipment owner submits an itemized invoice to the local agency.</li> <li>4. The local agency verifies that the old truck is in the custody of the scrappage yard and issues payment.</li> <li>5. All of the post-inspection requirements, including documentation of destruction, are satisfied within 60 days of the equipment owner's receipt of the new truck.</li> </ol> <p>This Q&amp;A item was discussed in the 8/7/08 and 8/28/08 local agency meetings. Executive Order G-08-021 will be posted on the website.</p>	<p>2/4/09</p>
<p><b>Old Truck Scrappage - Documentation</b></p>	<p><b>Documentation Filed with DMV</b>  Q: In the Program Guidelines Table 3.1 (Page 75 III.D.13), the equipment project scrap requirements for trucks state that the equipment owner must file a "Non-Repairable Vehicle Certificate" with the DMV and submit a copy to the local agency at the time of post inspection. This particular document can lead to delays in issuing payment. Can we file DMV Form REG 42 "Notice to Dismantler" instead?</p> <p>A: Yes, ARB is developing Executive Order G-08-021 that will identify a DMV Form REG 42 "Notice to Dismantler" filed with the DMV as a substitute for the "Non-Repairable Vehicle Certificate." Additional scrappage requirements in Table 3.1, including but not limited to filing a VIN hold with DMV, must still be met.</p> <p>This Q&amp;A item was discussed in the 10/16/08, 10/23/08 and 11/6/08 local agency meetings. Executive Order G-08-021 will be posted on the website.</p>	<p>2/4/09</p>

Topic	Questions and Answers	Web Posting
<p><b>Old Equipment Scrappage</b></p>	<p><b>Direct Payment to Vendor Option</b>  Q: In the Program Guidelines (Page 77 III.D.14), equipment project post-inspection requirements state that when the direct payment to vendor option is used, the post-inspection must be completed within 30 days of the equipment owner receiving the new equipment. The equipment must be scrapped to finalize the post-inspection and 30 days is not enough time for the dismantler to destroy the vehicle. Can more time be allowed?</p> <p>A: Yes. ARB is developing Executive Order G-08-021 that will allow the post-inspection to occur within 60 calendar days of the equipment owner receiving the fully operational equipment. For harbor craft only, that same time period can be extended to 90 calendar days.</p> <p>This Q&amp;A item was discussed in the 8/7/08 and 8/28/08 local agency meetings. Executive Order G-08-021 will be posted on the website.</p>	<p>2/4/09</p>
<p><b>New Locomotive Requirements</b></p>	<p><b>New Locomotive - Engine</b>  Q: Please clarify the emission standards for new generator-set switcher locomotives (or equivalent).</p> <p>A: The Final Guidelines include updated emission levels based on Executive Order G-08-011 dated June 17, 2008. Tier 0 or Tier 1 switcher locomotives can be replaced, rebuilt or repowered with a new generator-set that achieves emissions of 3.5 g/bhp-hr or less for NOx and 0.14 g/bhp-hr or less for PM.</p> <p>Executive Order G-08-011 was posted on the website in June 2008.</p>	<p>2/4/09</p>
<p><b>General – Changes to Equipment Project Information</b></p>	<p><b>Selection of Projects for Funding -- Changes to Equipment Project Information</b>  Q: Equipment projects are determined eligible, competitively ranked, and selected for funding based on vehicle specific information (such as engine model year and VMT) that the owner provides on the application for funding. The local agency generates and publicly releases the ranking list from the best available equipment project information. How should the local agency address a change to the equipment project information (for example, identified during the pre-inspection) that could alter the ranking of that project?</p> <p>A: The local agency must first verify that the changed equipment project information does not violate the Program requirements. If the new information makes the equipment project ineligible for the Program, the local agency must disqualify the application. Otherwise, the local agency may <u>either</u>:</p> <ol style="list-style-type: none"> <li>1. Re-run the Project Benefits Calculator with the updated information to see if the project is still competitive. The local agency must compare the re-calculated emission reductions and cost-effectiveness to the emissions reductions and cost-effectiveness of the least competitive project (same project option) still receiving funding. If the re-calculated emission reductions and cost-effectiveness of the equipment project in question are still competitive, the pre-inspected equipment project can be funded. The inputs for the Project Benefits Calculator may be adjusted according to the following:</li> </ol> <p>(continued next page)</p>	<p>2/4/09</p>

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	<p>(continued)</p> <ul style="list-style-type: none"> <li>▪ Engine MY: The local agency can adjust the engine MY by +/- 2 years from the application information. The emission reductions and cost-effectiveness should be re-calculated to assess if the project is still competitive.</li> <li>▪ Annual Vehicle Miles Traveled (VMT): The local agency can adjust the VMT based on verified mileage documentation. If the verified annual VMT is significantly inconsistent with the application (for example, VMT is different by more than 5,000 miles) and the verified mileage adversely affects the emission reductions and cost-effectiveness of the proposed project, the local agency may disqualify the application by determining that the project fails the pre-inspection.</li> </ul> <p>2. Determine that the equipment project fails the pre-inspection because of incorrect application information and move to the next equipment project on the ranking list.</p> <p>This Q&amp;A item was discussed in the 10/9/08 local agency meeting.</p>	
<p><b>General – Project Benefits in Contracts</b></p>	<p><b>Changes in Project Benefits and Expected Emission Reductions</b></p> <p>Q: If equipment project application information changes after the ranked list is completed, changes in existing engine MY and/or old truck VMT will result in a revised estimate of emission reductions that is different from what is shown on the finalized ranked list. In this situation, which emission reductions should be listed on the contract between the local agency and the equipment owner?</p> <p>A: The updated estimate of emission reductions should be reflected in the contract between the local agency and the equipment owner.</p> <p>This Q&amp;A item was developed in response to a question asked in the 10/23/08 local agency meeting.</p>	<p>2/4/09</p>