BOARD MEETING DATE: October 2, 2026 AGENDA NO. 4

PROPOSAL: Amend Contracts for Joint Electric Truck Scaling Initiative Pilot Project

SYNOPSIS: In June 2021, the Board approved the execution of contracts for the CARB and California Energy Commission (CEC) funded Joint Electric Truck Scaling Initiative (JETSI) Pilot Project to deploy 100 Daimler and Volvo Class 8 battery electric trucks, charging infrastructure, and distributed energy resource technologies at two fleet locations that serve surrounding overburdened communities. In February 2025, the Board approved an extension of the JETSI project and the reallocation of funds to cover energy storage costs, additional chargers and project management expenses. Due to further delays in installing charging infrastructure at one fleet location, CARB and CEC approved extending the project completion date from December 2026 to September 2027 along with the reallocation and repurposing of up to $639,740 in previously authorized but unspent administrative and project funds to support implementation during the extended project period. These actions are to amend the applicable contracts to continue project implementation, reallocate and repurpose unspent funds for project and administrative costs.

COMMITTEE Technology, September 18, 2026; Recommended for Approval

RECOMMENDED ACTIONS:
Authorize the Executive Officer to amend the following contract awards funded by the GHG Reduction Projects Special Revenue Fund (67), pending receipt of amended grant agreement from CARB:

1. Contract with NFI Interactive Logistics, Inc (NFI) to reallocate the $300,000 previously designated for energy storage costs as follows:
   a. Reallocate $100,000 to South Coast AQMD to cover administrative costs;
   b. Reallocate $100,000 within NFI's contract for communications and outreach activities;
   c. Add $100,000 to the contract with TRC Companies, Inc. (formerly Gladstein, Neandross and Associates) for JETSI Pilot Project reporting;
2. Amend the contract with Daimler Truck North America, LLC to allow the $300,000 previously allocated for the deployment of additional chargers to be used for the purchase of spare parts and services; and

3. Add $39,740 to the contract with Catalyst Mobility, Inc. (formerly CALSTART, Inc.) for charger pricing analysis and fleet case studies for the extended period.

Wayne Nastri
Executive Officer

AK:MW:VP:SC

Background
In June 2021, the Board approved the execution of contracts for the CARB and California Energy Commission (CEC) funded Joint Electric Truck Scaling Initiative (JETSI) Pilot Project to deploy 100 Daimler and Volvo Class 8 battery electric trucks, supporting charging infrastructure, and distributed energy resources technologies at two fleet locations serving surrounding overburdened communities. South Coast AQMD was awarded $16,019,316 from CARB and $10,964,955 from CEC for the JETSI Pilot Project.

South Coast AQMD is leading a regional collaborative effort with the Mobile Source Air Pollution Reduction Review Committee (MSRC), Southern California Edison, and the Ports of Los Angeles and Long Beach. These partners provided a combined cost share of $21,400,000, in addition to $25,400,000 by the two participating fleets.

As of June 2026, all 100 Class 8 battery electric trucks had been deployed and had accumulated more than 15 million zero-emission miles. Through the at-scale deployment of battery-electric trucks at two California fleet locations, the project significantly advanced the market penetration of Class 8 battery electric trucks and demonstrated the viability of zero-emission goods movement operations.

In February 2025, the Board approved an extension to the JETSI project to December 2026 due to charging infrastructure delays and reallocated up to $974,504 in unspent South Coast AQMD administrative funds to support additional charging infrastructure, energy storage, project management, and data analysis. No additional grant funding was requested.

Proposal
Despite this progress, the NFI project has experienced additional delays in charging infrastructure construction and energization, and the microgrid was not commissioned until June 2026. CARB and CEC approved extending the JETSI Pilot project through September 2027. The extension is necessary to allow for a full year of operational data collection following commissioning and to ensure successful completion of the project’s technical and reporting objectives.

South Coast AQMD staff recommend reallocating and repurposing up to $639,740 in unspent CARB and CEC administrative and project funds to cover additional implementation costs, including project management expenses during the extended period; repurposing funds previously allocated for additional chargers to support spare parts and services under Daimler Truck North America LLC's contract for Schneider National, Inc., and reallocating unspent NFI infrastructure installation funds to project and implementation activities. These actions will provide sufficient funding for the project partners to complete the remaining work and fulfill the project's reporting obligation. CARB and CEC have approved the proposed reallocations, which resulted in no net change to the total grant funding.

Benefits to South Coast AQMD
The JETSI Pilot Project supports the development and demonstration of zero-emission freight transportation technologies and infrastructure, including solar and energy storage systems that enable microgrids for charging heavy-duty trucks, yard tractors, and forklifts. These technologies are included in the *Technology Advancement Office Clean Fuels Program 2026 Plan.* By demonstrating zero-emission heavy-duty trucks, freight handling equipment, and charging infrastructure integrated with solar generation and battery energy storage, the project supports attainment of the national ambient air quality standards in the Basin. Specifically, the replacement of diesel-powered heavy-duty trucks and off-road freight handling equipment reduces PM and NOx emissions, while the solar- and energy storage-powered infrastructure supports reliable fleet charging operations.

Resource Impacts
Staff requests authorization to amend the contract with NFI Interactive Logistics, Inc. to reallocate $300,000 previously designated for energy storage as follows: reallocate $100,000 to South Coast AQMD for administrative costs; reallocate $100,000 within the NFI contract for communications and outreach activities; and add $100,000 to the contract with TRC Companies, Inc. for JETSI Pilot Project reporting. Staff also requests authorization to amend the contract with Daimler Truck North America, LLC to repurpose $300,000 previously allocated for additional chargers for the purchase of spare parts and services, and to add $39,740 to the contract with CALSTART, Inc. for charger pricing analysis and fleet case studies during the extended project period.

These contract amendments are fully funded with CEC and CARB administrative funds for the JETSI Pilot Project available in the GHG Reduction Projects Special Revenue Fund (67) and will result in no net change to the total grant award.