South Coast
Air Quality Management District
South Coast AQMD
21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 · www.aqmd.gov

HYBRID TECHNOLOGY COMMITTEE MEETING

Mayor Carlos Rodriguez, Committee Chair
Supervisor Curt Hagman
Mayor Patricia Lock Dawson
Councilmember Larry McCallon
Supervisor Janet Nguyen
Board Member Veronica Padilla-Campos

August 21, 2026 ♦ 12:00 p.m.

TELECONFERENCE LOCATIONS

Huntington Beach Central Library
Balboa Room
7111 Talbert Avenue
Huntington Beach, CA 92648

A meeting of the South Coast Air Quality Management District Technology Committee will be held at 12:00 p.m. on Friday, August 21, 2026 through a hybrid format of in-person attendance in the Dr. William A. Burke Auditorium at the South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, and remote attendance via videoconferencing and by telephone. Please follow the instructions below to join the meeting remotely.

Please refer to South Coast AQMD's website for information regarding the format of the meeting, updates if the meeting is changed to a full remote via webcast format, and details on how to participate:

http://www.aqmd.gov/home/news-events/meeting-agendas-minutes

ELECTRONIC PARTICIPATION INFORMATION
(Instructions provided at bottom of the agenda)

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Audience will be allowed to provide public comment in person or through Zoom connection or telephone.

PUBLIC COMMENT WILL STILL BE TAKEN

AGENDA

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). If you wish to speak, raise your hand on Zoom or press Star 9 if participating by telephone. All agendas for regular meetings are posted at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes total for all items on the agenda.

Please note that under the California Public Records Act (Gov't. Code § 7920.000 et seq.) your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email) become part of the public record and can be released to the public on request or posted on the South Coast AQMD website.

CALL TO ORDER

ROLL CALL

ACTION ITEMS: (1-6)

1. **Issue Program Announcement for Zero-Emission Trucks and Zero-Emission Infrastructure for Year 2026 Warehouse Actions and Investments to Reduce Emissions Mitigation Program *(Motion Requested)***

   Ian MacMillan
   Assistant Deputy Executive Officer

   The Warehouse Actions and Investments to Reduce Emissions (WAIRE) Mitigation Program was established with the adoption of Rule 2305 – Warehouse Indirect Source Rule. One of the compliance options available to warehouse operators under Rule 2305 is to pay mitigation fees. This first year of the WAIRE Mitigation Program is designed to use these fees to incentivize zero-emission Class 4 to 8 trucks, yard trucks, and electric charging or hydrogen fueling infrastructure projects that reduce emissions from warehousing activities. Up to $73,135,300 in funding will be directed to the areas near warehouses that paid the mitigation fee, which must be spent within the same Source Receptor Area where the fees were collected. These actions are to: 1) issue a Program Announcement to solicit projects under the WAIRE Mitigation Program that reduce emissions from warehousing activities and; 2) reimburse the General Fund up to $4,570,956 from the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86) for administrative costs incurred in implementing the program.

2. **Issue Program Announcement and Execute Contracts for Proposition 1B – Goods Movement Emission Reduction Program *(Motion Requested)***

Krystle Martinez
Program Supervisor

In 2008, $1 billion in bond funding was authorized under the Proposition 1B – Goods Movement Emission Reduction Program (Prop 1B). The majority of funding under Prop 1B has been allocated; however, funds remain from withdrawn Prop 1B projects. A Program Announcement (PA) is needed to award remaining Prop 1B funds towards locomotive, cargo handling equipment, transport refrigeration unit, and ships at-berth projects. These actions are to: 1) issue and, if necessary, reissue, a PA for locomotive, cargo handling equipment, transport refrigeration unit, and ships at-berth projects under Prop 1B; and 2) authorize the Executive Officer to execute contracts for eligible projects resulting from the PA until all funds are exhausted from the Prop 1B Fund (81) and funds from At-Berth Regulation Remediation Special Revenue Fund (88).

3. **Recognize Revenue, Execute Contracts for Battery Electric Class 8 Trucks and Charging Infrastructure to Implement INVEST CLEAN and Transfer Funds for ELECTRIC *(Motion Requested)***

David Chen
Program Supervisor

In September 2024, the Board recognized an award of $499,997,415 from the U.S. EPA CPRG program titled INVEST CLEAN. Additionally, in January 2025, the Board recognized an award of $33,898,522 from the U.S. EPA Clean Heavy-Duty Vehicles Grant program titled ELECTRIC. For INVEST CLEAN, the Ports of Los Angeles and Long Beach committed to contributing $10,000,000 in Clean Truck Fund Rate dollars collected by the ports to support the implementation of a Battery Electric Freight Vehicle Deployment Incentive Program and a Charging Infrastructure Deployment Incentive Program. For ELECTRIC, South Coast AQMD proposed providing a cost share of up to $3,096,720. These actions are to: 1) execute MOUs with the Cities of Los Angeles and Long Beach acting by and through their respective Boards of Harbor Commissioners to implement INVEST CLEAN; 2) recognize revenue up to $10,000,000 into the U.S. EPA CPRG Special Revenue Fund (90), upon receipt from the Ports of Los Angeles and Long Beach; 3) execute contracts under INVEST CLEAN in an amount not to exceed $54,246,495 from the U.S. EPA CPRG Special Revenue Fund (90) with a backup project list in the event of project fall through; and 4) transfer up to $3,096,720 from Clean Fuels Program Fund (31) to Advanced Technology, Outreach and Education Fund (17) for South Coast AQMD cost-share to implement ELECTRIC.

4. Execute Contract to Deploy Class 8 Hydrogen Fuel Cell Drayage Trucks *(Motion Requested*)

Sam Cao, Ph.D.
Planning & Rules Manager

In June 2023, the Board recognized a $5 million U.S. EPA FY22 Targeted Airshed Grant award and approved $800,000 as the cost share from the Clean Fuels Program Fund (31) to partner with Daimler Truck North America, LLC (DTNA) to deploy and demonstrate six Class 8 hydrogen fuel cell trucks. DTNA has since withdrawn from the project. Subsequently, South Coast AQMD staff received a proposal from Symbio North America (Symbio) to develop and deploy fifteen hydrogen fuel cell drayage trucks with Savage Services Corporation (Savage). Under the proposed project, Symbio will develop the trucks, and Savage will operate them as part of its refinery transport operations in the San Pedro Ports area. Contingent upon U.S. EPA's final award approval, staff recommends the following actions: 1) transfer up to $400,000 from the Clean Fuels Program Fund (31) to the Advanced Technology, Outreach and Education Fund (17) to increase the cost-share for the additional trucks; and 2) execute a contract with Symbio for $6,000,000 from the Advanced Technology, Outreach and Education Fund (17) for the deployment of fifteen hydrogen fuel cell drayage trucks**.**

5. Execute Contract to Study Durable Fuel Cell Membrane Electrode Assemblies for Heavy-Duty Vehicles *(Motion Requested)*

Maryam Hajbabaei, Ph.D.
Program Supervisor

The University of California, Irvine (UCI) proposes to develop, integrate, and validate an advanced fuel cell membrane to improve the durability, efficiency, and operational life of fuel cell stacks for heavy-duty truck applications. Fuel cell membranes are critical components that enable the electrochemical conversion of hydrogen to electricity, and improvements in membrane materials can reduce fuel cell costs as well as increase performance. This action is to execute a contract with UCI to develop and study durable fuel cell membrane electrode assemblies for heavy-duty vehicles in an amount not to exceed $125,000 from the Clean Fuels Program Fund (31).

6. Approve Additional Funds for the Residential Electric Lawn and Garden Equipment Rebate Program (*Motion Requested)*

Alejandra Vega
Sr. Public Affairs Specialist

The Residential Electric Lawn and Garden Equipment Rebate Program provides rebates to residents for the purchase of new battery-electric lawn and garden equipment. Since 2017, the program has helped residents replace gasoline-powered equipment with zero-emission alternatives, resulting in emission reductions throughout the South Coast AQMD jurisdiction. In September

2024, the Board approved the addition of $500,000 and the expansion of the program to include additional equipment categories, including battery-electric leaf blowers, trimmers, chainsaws, and edgers. Continued interest and participation in the program have increased demand for available rebate funding, and program funds are nearly exhausted. Staff recommends allocating up to $500,000 from the Rule 2202 Air Quality Investment Fund (27) to continue the Residential Electric Lawn and Garden Equipment Rebate Program.

7. Other Business

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Gov't. Code Section 54954.2)

8. Public Comment Period

At the end of the regular meeting agenda, an opportunity is provided for the public to speak on any subject within the Committee's authority that is not on the agenda. Speakers may be limited to three (3) minutes each.

9. Next Meeting Date

Friday, September 18, 2026 at 12:00 p.m.

ADJOURNMENT

Americans with Disabilities Act and Language Accessibility

Disabilities and language-related accommodations can be requested to allow participation in the Administrative Committee meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language- related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the South Coast AQMD. Please contact Kristin Remy at (909) 396-2140 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to kremy@aqmd.gov.

Reasonable Accommodations for Remote Participation by Members of this Brown Act Body

All public meetings held pursuant to the Brown Act must adhere to certain procedures to assist in processing requests for reasonable accommodations for remote participation by Board and Committee Members, and Members of other Brown Act bodies, consistent with the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and Government Code section 54953.8. Specifically, Board and Committee Members, or other Members of a Brown Act body, who have a disability within the meaning of the ADA, may request a reasonable accommodation to participate remotely in a public meeting in lieu of in-person attendance. Such requests must be made pursuant to the procedure set forth in South Coast AQMD Administrative Code Section 30.17 (Policy for Reasonable Accommodation and Remote Participation) and must be submitted in writing to the Chair of the Board or Committee, or Chair of the other Brown Act Body, copying the Clerk of the Boards and the Deputy Executive Officer of Administrative and Human Resources. In the event that the Chair requests an accommodation, that request must also be submitted to the Vice Chair for approval.

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available by contacting Kristin Remy at (909) 396-2140, or send the request to kremy@aqmd.gov.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

Instructions for Participating in a Virtual Meeting as an Attendee
As an attendee, you will have the opportunity to virtually raise your hand and provide public comment. Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

Please note: During the meeting, all participants will be placed on Mute by the host. You will not be able to mute or unmute your lines manually. After each agenda item, the Chair will announce public comment. A countdown timer will be displayed on the screen for each public comment. If interpretation is needed, more time will be allotted.

Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.

Directions for Video ZOOM on a DESKTOP/LAPTOP:

- If you would like to make a public comment, please click on the **"Raise Hand"** button on the bottom of the screen. This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for Video Zoom on a SMARTPHONE:

- If you would like to make a public comment, please click on the **"Raise Hand"** button on the bottom of your screen. This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for TELEPHONE line only:

- If you would like to make public comment, please **dial *9** on your keypad to signal that you would like to comment.

BOARD MEETING DATE: September 4, 2026 AGENDA NO.

PROPOSAL: Issue Program Announcement for Zero-Emission Trucks and Zero-Emission Infrastructure for Year 2026 Warehouse Actions and Investments to Reduce Emissions Mitigation Program

SYNOPSIS: The Warehouse Actions and Investments to Reduce Emissions (WAIRE) Mitigation Program was established with the adoption of Rule 2305 – Warehouse Indirect Source Rule. One of the compliance options available to warehouse operators under Rule 2305 is to pay mitigation fees. This first year of the WAIRE Mitigation Program is designed to use these fees to incentivize zero-emission Class 4 to 8 trucks, yard trucks, and electric charging or hydrogen fueling infrastructure projects that reduce emissions from warehousing activities. Up to $73,135,300 in funding will be directed to the areas near warehouses that paid the mitigation fee, which must be spent within the same Source Receptor Area where the fees were collected. These actions are to: 1) issue a Program Announcement to solicit projects under the WAIRE Mitigation Program that reduce emissions from warehousing activities and; 2) reimburse the General Fund up to $4,570,956 from the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86) for administrative costs incurred in implementing the program.

COMMITTEE: Technology, August 21, 2026; Recommended for Approval

RECOMMENDED ACTIONS:

1) Issue Program Announcement #PA2027-01, providing up to $73,135,300 from the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86), to incentivize zero-emission Class 4 to 8 vehicles and electric charging or hydrogen fueling infrastructure projects that reduce warehouse emissions for the Year 2026 Warehouse Actions and Investments to Reduce Emissions (WAIRE) Mitigation Program; and

2) Reimburse the General Fund up to $4,570,956 from the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86) for administrative costs incurred in implementing the program.

Wayne Nastri
Executive Officer

AK:MW:IM:EK:DP:DL

Background

The WAIRE Mitigation Program was established with the adoption of Rule 2305 – Warehouse Indirect Source Rule – Warehouse Actions and Investments to Reduce Emissions Program on May 7, 2021. The WAIRE Program is a menu-based points system that requires warehouse operators to annually earn a specified number of points by completing actions from a menu. One of the compliance options available to warehouse operators under Rule 2305 is to pay a mitigation fee in lieu of completing WAIRE Menu actions. Mitigation fees collected from warehouse operators and owners are tracked based on the Source Receptor Area (SRA) where the warehouses are located and must be directed back to the SRA and counties where the fees originated.

The approach for how funds would be used in this first phase of the WAIRE Mitigation Program was shaped through a public process. South Coast AQMD conducted stakeholder meetings, gathered input from community groups, industry representatives, and environmental organizations, and incorporated feedback to develop the initial funding priorities. Additionally, several constraints and guiding principles were established during the adoption of Rule 2305, which informed the overall structure, limitations, and design of the program, including the SRA-based collection and distribution of mitigation fees, and the focus on zero-emission technologies.

Warehouse operators have paid mitigation fees totaling $73,135,300, which is being made available for use in the first year of the WAIRE Mitigation Program. The fees collected are held in the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86) and will be used to incentivize the purchase of zero-emission trucks or the installation of zero-emission electric charging or hydrogen fueling infrastructure in communities near warehouses that paid the fee. The WAIRE Mitigation Program will fund projects that reduce emissions from warehousing activities.

Proposal
Staff recommends issuing Program Announcement (PA) #PA2027-01 to solicit ZE projects from warehouses, fleet operators, and zero-emission truck fueling or charging infrastructure serving warehouse operations for the purchase of Class 4 to 8 on-road trucks, off-road yard trucks, or installation of electric charging or hydrogen fueling infrastructure resulting in emissions reductions from warehousing activities. The projects will be evaluated for completeness and eligibility. Incentive funding will be awarded on a first-come, first-served basis per SRA. Applications will be accepted through an online portal, which will open at 12 PM on September 22, 2026, for a drafting and saving period of three weeks which will allow applicants to discuss program-related questions with staff, if needed. Please note that AQMD staff will not assist, opine, or otherwise aide any applicant with their project proposal. Application submittals will officially be accepted on a first-come, first-served basis beginning at 12 PM on October 13, 2026, with a deadline no later than 12 PM on Tuesday, December 15, 2026. Eligible projects will be presented to the Governing Board for award and final approval.

The WAIRE Mitigation Program requires that the program funds be expended on projects that will reduce emissions from warehousing activities. The WAIRE Mitigation Program also requires that if funds are not utilized, they can be held for subsequent years or used for eligible projects in adjacent SRAs in the same county.

Of the $73,135,300 collected in the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86), an additional 6.25 percent ($4,570,956) was collected for administrative costs incurred for implementing the WAIRE Mitigation Program. Therefore, staff also recommends reimbursing the General Fund up to $4,570,956 to implement the WAIRE Mitigation Program.

Outreach
In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the PA and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to ensure broad and cost-effective outreach throughout the South Coast Air Basin.

Outreach will ensure that all businesses have a fair and equitable opportunity to compete for project funding. Potential bidders may be notified through South Coast AQMD's electronic listing of certified vendors. Notice of the PA will also be emailed to Legislative Caucuses, various chambers of commerce, business associations, and additional community and trade organizations. To further support inclusive participation, the PA will be posted on the South Coast AQMD website (http://www.aqmd.gov) under "Grants & Bids."

Benefits to South Coast AQMD
The South Coast Air Basin is designated by U.S. EPA as extreme nonattainment for ozone. NOx and VOCs are ozone precursors, and reducing NOx emissions is critical to controlling ozone formation in the Basin. As identified in South Coast AQMD's 2022 AQMP, mobile sources are the most significant contributor to regional NOx emissions. Incentives directed towards the implementation of zero-emission technologies, including the replacement of diesel-powered equipment, help advance both the State's and South Coast AQMD's air quality goals by reducing ozone-forming emissions and accelerating progress toward attainment. The region also faces challenges meeting the PM2.5 National Ambient Air Quality Standards, with diesel particulate matter (a known carcinogen) contributing substantially to localized health risks. The vehicles and infrastructure funded under this PA will operate for a minimum of three years, providing long-term reductions in NOx and PM emissions, including diesel PM, further supporting attainment and public health objectives.

Resource Impacts
Up to $73,135,300 from the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86) will be used to incentivize the implementation of zero-emission technologies. In addition, a separate administrative allocation of up to $4,570,956 (representing the additional 6.25 percent collected on top of the mitigation fees) may be used to reimburse the General Fund for program administration. Funds that are not encumbered (under contract) or liquidated (spent) under this Program Announcement will be returned to the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86).

Attachments
Year 2026 WAIRE Mitigation Program Announcement #PA2027-01

Year 2026
WAIRE Mitigation Program
PROGRAM ANNOUNCEMENT

SOUTH COAST AQMD PROGRAM ANNOUNCEMENT
PA2027-01

INTRODUCTION

The South Coast Air Quality Management District (South Coast AQMD) is pleased to announce the availability of funds from the Warehouse Actions and Investments to Reduce Emissions (WAIRE) Mitigation Program. In order to comply with Rule 2305 – Warehouse Indirect Source Rule –WAIRE Program that was adopted on May 7, 2021, some warehouse facilities chose to pay mitigation fees in lieu of completing WAIRE Menu actions. These mitigation fees are held in the South Coast AQMD Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86) and will be made available on an annual basis to incentivize projects related to reducing NOx and Diesel PM emissions from warehousing activity.[1] For this Program Announcement (PA), up to $73,135,300 is available.

At the time of adoption of the WAIRE Program, the Governing Board provided guidance for key areas to govern the Mitigation Program.[2] These include requirements for how funding is advertised and approved, labor and other considerations for infrastructure, geographic constraints, and whether WAIRE Mitigation Program funding can be stacked with other incentive programs. This PA provides details on how these parameters will be implemented, as well as other key design elements for this first year of South Coast AQMD's WAIRE Mitigation Program. The purpose of this PA is to solicit project applications for the Year 2026 WAIRE Mitigation Program and identify the equipment categories, project options, and eligibility criteria to qualify for grant funding under the program's first year.

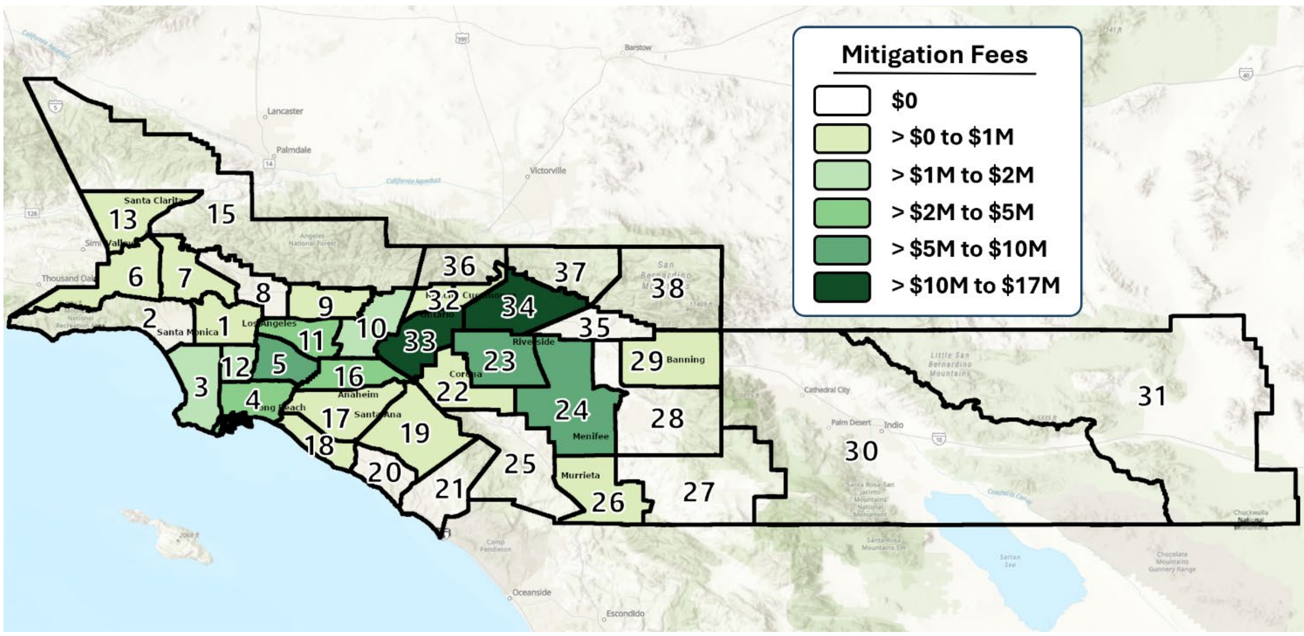
SECTION I – PA OVERVIEW & ELIGIBILITY REQUIREMENTS

The WAIRE Mitigation Program provides incentive funds for qualifying projects on a first-come, first-served basis to warehouse operators, fleet operators, or zero-emission (ZE) truck fueling and charging infrastructure operators serving warehouses in the South Coast AQMD jurisdiction. Applications will be reviewed in the order received, and incentive funds will be awarded to applicants that submit complete applications and meet all applicable program eligibility, documentation, and funding requirements, subject to funding availability. Once all available funds have been reserved, additional eligible applications will be placed on a waitlist on a first-come, first-served basis. Qualifying projects that are awarded WAIRE Mitigation Program funding must achieve or facilitate emission reductions around warehousing activities in the same area and county where fees are collected. Mitigation fees collected from warehouse operators and owners are set aside and allocated

[1] NOx = nitrogen oxides, Diesel PM or DPM = diesel particulate matter. Both of these pollutants are emitted from combustion of fossil fuels, such as from diesel-fueled trucks.
[2] See discussion in Board Resolution here: https://www.aqmd.gov/docs/default-source/agendas/governing-board/2021/2021-may7-027.pdf (starting on pg. 21 of the pdf)

for use within the Source Receptor Area[3,4] (SRA) geographic boundaries that the warehouses are located in. Mitigation fees collected within a given SRA are available for eligible projects located within that same SRA that support emission reductions associated with warehouse activities. However, if no eligible projects are found within an SRA with available funding, these funds can be used in an adjacent SRA in the same county. If funds are not fully spent, the remaining funding will be banked and made available in a subsequent funding year for that SRA. See Figure 1 of SRAs with mitigation fees collected and Table 1 with amount of mitigation funding by SRA below. Specific geographic requirements are described in the Geographical Requirements subsection below.

Figure 1: Map of SRAs and Mitigation Fees



Mitigation Fees Collected as of April 20, 2026; subject to change based on auditing and adjusting (Interactive SRA map only: https://data-scaqmd-online.opendata.arcgis.com/maps/814d6e7a791044dabcb3d0d4b8af4df9/explore).

[3] SRA map: https://www.aqmd.gov/docs/default-source/default-document-library/map-of-monitoring-areas.pdf

[4] SRA ArcGIS Map: https://data-scaqmd-online.opendata.arcgis.com/maps/814d6e7a791044dabcb3d0d4b8af4df9/explore. Users can enter street address on this website to determine which SRA the address is located in by clicking on the magnifying glass in the top right corner.

Table 1: Funds Available by SRA

SRA No.	SRA Name	Mitigation Funding
Los Angeles County		
1	Central Los Angeles County	$681,900
2	Northwest Coastal Los Angeles Co.	$0
3	Southwest Los Angeles County Co.	$1,460,300
4	South Coastal Los Angeles Co.	$4,254,900
5	Southeast Los Angeles Co.	$7,219,400
6	West San Fernando Valley	$585,700
7	East San Fernando Valley	$158,800
8	West San Gabriel Valley	$0
9	East San Gabriel Valley	$743,100
10	Pomona/Walnut Valley	$1,545,500
11	South San Gabriel Valley	$2,389,700
12	South Central Los Angeles Co.	$1,467,800
13	Santa Clarita Valley	$132,400
15	San Gabriel Mountains	$0
Orange County		
16	North Orange County	$2,581,300
17	Central Orange County	$887,800
18	North Coastal Orange County	$19,200
19	Saddleback Valley	$168,700
20	Central Coastal Orange County	$0
21	Capistrano Valley	$0
Riverside County		
22	Corona/Norco Area	$837,200
23	Metropolitan Riverside County	$7,788,900
24	Perris Valley	$6,870,600
25	Lake Elsinore Area	$0
26	Temecula Valley	$112,700
27	Anza Area	$0
28	Hemet/San Jacinto Valley	$0
29	Banning/San Gorgonio Pass	$506,400
30	Coachella Valley	$0
31	East Riverside County	$0
San Bernardino County		
32	Northwest San Bernardino Valley	$25,700
33	Southwest San Bernardino Valley	$16,036,700
34	Central San Bernardino Valley	$16,660,600
35	East San Bernardino Valley	$0
36	West San Bernardino Mountains	$0
37	Central San Bernardino Mountains	$0
38	East San Bernardino Mountains	$0
	Total:	**$73,135,300**

As of April 20, 2026; subject to change based on auditing and adjustments.

All submitted applications will be evaluated for completeness and eligibility. Each truck or infrastructure project is restricted to requesting funds from a single funding SRA per submission. To be eligible for funding, all projects must comply with all applicable federal, state, and local laws, ordinances, codes and regulations and orders to public authorities in the performance of their agreement. Projects located at a warehouse must also be in compliance with South Coast AQMD rules, including Rule 2305. Future years of the WAIRE Mitigation Program may be crafted differently and applications at that time would need to be consistent with the PA made available for that funding round.

ELIGIBLE PROJECT TYPES AND COSTS

The following ZE project categories and types are eligible for WAIRE Mitigation Program funding:

- ZE Class 4-8 On-Road Trucks Category
- ZE Off-Road Yard Trucks Category
- ZE Infrastructure Category
    - Electric Charging Station
    - Hydrogen Fueling Station

Funding for this PA will go towards the purchase of new ZE Class 4 and above (Gross Vehicle Weight Rating [GVWR]14,001 pounds or greater) on-road trucks and off-road yard trucks, as well as the new installation of ZE charging or fueling station infrastructure. Funding may also be used for decommissioning of existing non-ZE fueling infrastructure and conversion to ZE charging or fueling infrastructure, or expansion to ZE charging and fueling infrastructure equipment for Class 4 and above trucks and yard trucks that serve warehouses.

Please note: Equipment purchases and infrastructure installation using WAIRE Mitigation Program funding are ineligible for WAIRE acquisition points, however, subsequent usage of trucks or equipment may earn WAIRE points.

Applicants may utilize, and are encouraged to make use of, incentive funding from other programs (as allowed by those programs), such as the Carl Moyer Memorial Air Quality Standards Attainment Program, Prop 1B, INVEST CLEAN, Volkswagen Mitigation Trust, Clean Truck and Bus Voucher Incentive Project, California Off-Road Equipment Voucher Incentive Project, etc., provided that the applicant verifies that stacking is permitted by the other incentive programs. If WAIRE funds are stacked with funding from another program, requirements from both programs will need to be adhered to. The sum of all grants and other incentive funds, and any funds from this program applied toward the project shall not exceed 85 percent of the total eligible project cost (including taxes and government fees; excluding government tariffs specified in the price of final products). Any tax obligation associated with receiving an award is the responsibility of the Applicant.

In the preparation of this PA, the words “Applicant” and “Recipient” are used interchangeably. South Coast AQMD staff will evaluate all qualified applications and make recommendations to the Governing Board for final selection of projects to be funded.

APPLICANT ELIGIBILITY

Eligible truck purchase applicants are existing warehouse operators, fleet operators, and ZE truck fueling and charging infrastructure operators (excluding dealerships) that serve warehouses. All trucks must be acquired through purchase; leases are not eligible for funding. Applicants must retain ownership of the purchased trucks for the full project life which includes purchase, delivery and three-year operation. Applicants are solely responsible for meeting the program requirements.

Eligible infrastructure applicants are existing warehouse owners or operators, fleet operators, and ZE truck fueling or charging infrastructure operators with ZE Class 4 and above trucks (including yard trucks) that serve warehouses using, or planning to use, electric charging or hydrogen fueling infrastructure. Applicants must also demonstrate land ownership on which the project will be located, or control it through a long-term lease, easement, or other legal arrangement, for the entire project duration, including construction and the subsequent three-year operation requirement that follows. Only warehouse facilities that are operational or those that have begun construction (e.g. have an approved building permit) prior to release of this PA, are eligible for infrastructure funding. New facilities under development at the time of application that have not begun construction are not eligible.

The applicant attests that they are the responsible party and will remain so from planning through the end of the operation requirement included in the final contract (e.g., three years).

GEOGRAPHICAL REQUIREMENTS

All funded projects must maintain a geographic connection to the SRA from which funds are sourced for at least three years, beginning when the unit is placed into service. This means that:

- Funded ZE on-road trucks must be domiciled within or make at least 100 trips per year to warehouses within the boundaries of that SRA.
- Funded ZE yard trucks must be domiciled at a warehouse facility within the boundaries of that SRA.
- Funded infrastructure projects must be located within the boundaries of that SRA.

PROGRAM TIMELINE

Release Solicitation	Friday, September 4, 2026
Applications Open for Drafting	No earlier than 12pm PST on Tuesday, September 22, 2026
Applications Open for Submission	No earlier than 12pm PST on Tuesday, October 13, 2026
All Applications Due	12pm PST on Tuesday, December 15, 2026
Evaluation	Ongoing as applications are submitted
Contract Execution	Once all required documentation is provided and award is approved by South Coast AQMD Governing Board

ALL APPLICATIONS MUST BE RECEIVED VIA SOUTH COAST AQMD'S ONLINE GRANT MANAGEMENT SYSTEM
NO LATER THAN TUESDAY, DECEMBER 15, 2026 AT 12PM PST

Access to South Coast AQMD's WAIRE Mitigation Program Online Grant Management System (GMS) is provided at: http://gms.aqmd.gov/

SECTION II – AVAILABLE FUNDING AND SPECIFIC PROJECT REQUIREMENTS

Each truck or infrastructure project is restricted to requesting funds from a single funding SRA. The sum of all grants and other incentive funds, and any funds from this program applied toward the project shall not exceed 85 percent of the total eligible project cost (including taxes and government fees; excluding government tariffs specified in the price of final products). Once the equipment is operational, it may subsequently be used to earn WAIRE points. Additional requirements applicable to all projects funded in this program are described below.

ON-ROAD TRUCKS AND YARD TRUCKS

ZE trucks include both battery-electric vehicles (BEV) and hydrogen fuel cell vehicles (HFCV). The key requirements for the purchase of new ZE Class 4 to 8 on-road trucks and off-road yard trucks are:

- Funded trucks must maintain geographic connection to the funding SRA as outlined in the Geographical Requirements in Section I.
- No scrapping required, unless it is required for an incentive program that is used to stack with this program.
- Applicants must retain ownership of all trucks purchased with program funds for the full project life.
- Applicants may not lease, rent, or contract out trucks funded through this program during the three-year operation requirement.
- Funded trucks must be placed into service as soon as possible and no later than 18 months after agreement execution unless otherwise approved by the Project Administrator. Once in service, the trucks must then operate for at least three years.
- Applicants must provide the CARB Executive Order for on-road trucks and yard trucks.
- For funded on-road trucks (excluding yard trucks) that are not domiciled according to Geographical Requirements in Section I, recipient must provide proof (e.g., delivery contracts), at invoicing, that the truck will complete at least 100 annual trips to warehouses in that area.

Table 2: On-Road Trucks and Yard Trucks Funding Limits

ZE Truck Type	Funding Limits per Truck from WAIRE Mitigation Program*
ZE On-Road Trucks (including Yard Trucks)	o Class 4-5 - $60,000 o Class 6-7 - $85,000 o Class 8 (BEV) - $120,000 o Class 8 (HFCV) - $240,000
ZE Off-Road Yard Trucks	o $120,000

*Total incentives from all funding sources cannot exceed 85 percent of truck cost (including taxes and government fees; excluding government tariffs specified in the price of final products).

Total eligible project costs for trucks include equipment purchases and any associated taxes and government fees, but do not include government tariffs specified in the price of final products. Awarded funds shall only be used to offset the capital cost of the equipment and/or shall reduce the principal owed to purchase the equipment. For purposes of this program, equipment purchase costs for the truck include the chassis but exclude any add-on components (e.g., reefer units, bucket attachments, hydraulic lifts).

INFRASTRUCTURE

Infrastructure projects that enable the deployment of ZE technologies to support South Coast AQMD air quality goals related to warehousing activities are eligible for WAIRE Mitigation Program funding. Specifically, projects in this category involve the installation, decommissioning of existing non-ZE fueling infrastructure (excluding testing for, or remediation of subsurface contamination) and conversion to, or expansion of hydrogen fueling or electric charging infrastructure that will be used to fuel or power ZE Class 4 and above (GVWR 14,001 lbs or greater) vehicles and yard trucks. Infrastructure projects designed to exclusively fuel or charge light-duty vehicles (GVWR 14,000 lbs or less) are not eligible for WAIRE Mitigation Program funding.

Below are electric charging or hydrogen fueling infrastructure projects requirements:

- Infrastructure must be located within the boundaries of the funding SRA.
- Applicants must ensure funded infrastructure projects maintain continuous operation for the full three-year project life.
- Infrastructure must fuel or power ZE Class 4 and above vehicles that serve warehouses.
- Funded electric charging or hydrogen fueling infrastructure must be publicly accessible or operate as a shared station. If the project funding is stacked with another program that requires public access, then the program with the highest level of public accessibility will apply. If WAIRE funds are stacked with funding from another program, requirements from both programs will need to be adhered to. Refer to the Definitions section for full descriptions.
    - If charging or fueling equipment will be used exclusively for off-road yard trucks, the equipment does not have to be made publicly accessible.
- Projects involving construction work must use a skilled and trained workforce. Refer to the Infrastructure Project Requirements in Section V below for additional details.
- For electric vehicle charging stations, each incentivized connector must be at least a Direct Current Fast Charging or Megawatt Charging System port capable of delivering a minimum continuous power output of 24 kW or higher.
- Funded infrastructure equipment must be in service and operating as soon as possible, but not later than 36 months from agreement execution, unless otherwise approved by the Project Administrator.

Table 3: Infrastructure Funding Limits

Project Category	Maximum per Station from WAIRE Mitigation Program*
Electric Charging Station Equipment and Infrastructure	$300/kW output
Hydrogen Fueling Station and Infrastructure	$8,000/kg/day capacity

*Total incentives from all funding sources cannot exceed 85 percent of equipment cost (including taxes and government fees; excluding government tariffs).

WAIRE Mitigation Program can fund up to 85 percent of eligible costs (including taxes and government fees; excluding government tariffs), considering all stacked incentives. Eligible equipment costs include the purchase of equipment and any associated taxes or government fees, but do not include government tariffs. Additional eligible direct project costs may include installation labor, engineering, design, site preparation, decommissioning of existing non-ZE fueling infrastructure (excluding testing for, or remediation of subsurface contamination), and construction. General administrative activities, such as accounting, project management, staff training, and normal day-to-day operational costs unassociated with the project, are not considered eligible costs. Of the total WAIRE Mitigation Program award, at least 50 percent of the funds must be applied to eligible equipment costs.

Applicants must demonstrate that they either own the land on which the project will be located, or control it through a long-term lease, easement or other legal arrangement, for the duration of the project life.

The applicant must provide proof (i.e., letter of commitment from the fleet operator etc.) of a commitment to utilize the infrastructure when it is commissioned and operational. For infrastructure expansion projects, documentation of increased throughput at the station is required to ensure the expansion is proportional with projected fueling demand. Additionally, the applicant must provide a formal commitment letter or other written documentation from the applicable utility provider confirming the ability to supply sufficient electrical service to support the proposed project.

All infrastructure projects funded need to be registered with the Department of Industrial Relations (DIR) and must comply with DIR requirements on labor practices which cover a broad prevailing wage. Applicants awarded an agreement must comply with applicable provisions of Labor Code Sections 1720-1861.

SECTION III – APPLICATION SUBMITTAL REQUIREMENTS

Applicants must apply for WAIRE Mitigation Program funding using the South Coast AQMD's WAIRE Mitigation Program's Online Grant Management System (GMS) which will be available starting 12 pm on Tuesday, September 22, 2026 at: http://gms.aqmd.gov. Applications may be started and saved at that time; however, the system will not accept submissions before 12 pm on Tuesday, October 13, 2026. The 3-week period will allow applicants to discuss program-related questions with staff. Please note that South Coast AQMD staff will not assist, opine, or otherwise aide any applicant with their project proposal. The application period will remain open until 12 pm on December 15, 2026. If funds are exhausted per funding SRA, then a waitlist will be generated for potential applicants.

Applications must be submitted through the WAIRE Mitigation Program GMS by 12 pm on December 15, 2026. The GMS will not allow applications to be submitted after the due date and time. In addition, all Business Information Forms including Conflict of Interest and Project Cost information, must also be submitted with the application. It is the responsibility of the Applicant to ensure that all information submitted is accurate and complete. **Paper applications will not be accepted.**

Multiple applications submitted by the same applicant within a one-hour period will be counted as received at the same time, with the earliest submission serving as the official timestamp for all applications submitted within that window.

First-time users must register as new users to access the system. Applicants will receive a confirmation email after all required documents have been successfully submitted. Staff may be contacted if additional assistance is needed.

Third parties assisting with completing applications may create their own account on the WAIRE Mitigation Program GMS that can be linked through the primary user account.

South Coast AQMD staff will evaluate all submitted applications as they are received until the application deadline or until all funds are expended, whichever occurs first. Funding determination will be done on a project-by-project basis.

In accordance with South Coast AQMD's Procurement Policy and Procedure, a public notice advertising the PA and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to ensure broad and cost-effective outreach throughout the South Coast Air Basin.

Consistent with South Coast AQMD's Policy, outreach will ensure that all businesses have a fair and equitable opportunity to compete for project funding. Potential bidders may be notified through South Coast AQMD's electronic listing of certified vendors. Notice of the PA will also be emailed to Legislative Caucuses, various chambers of commerce, business associations, and additional community and trade organizations. To further support inclusive participation, the PA will be posted on the South Coast AQMD website (http://www.aqmd.gov) under "Grants & Bids."

A complete online application must be submitted to South Coast AQMD by no later than the application deadline to be considered for Program funding. It is the applicant's responsibility to ensure the application contains all the required information at the time of submittal to the South Coast AQMD. The South Coast AQMD is not required to contact the applicant to obtain the required information that is missing from the application but reserves the right to contact the applicant to clarify any information related to the submitted application. It will be the Applicant's responsibility to submit the missing or incomplete information within the time specified by the South Coast AQMD staff. Only complete applications can move forward in the evaluation process.

PROJECT COST

Applicants must provide cost information that specifies the amount of funding requested and the basis for that request by attaching vendor quotes to the application. The vendor quotes must be dated within 90 days of the application submittal date. Applicants need to inform vendors of the time frame of the award process so that they can estimate prices based on the future/projected order/purchase date.

Purchase orders or other purchase commitments shall not be placed until after the date of award approval by the South Coast AQMD Governing Board. Purchase orders may be placed after South Coast AQMD Governing Board approval and in advance of a fully executed agreement, but these orders/commitments are placed at the Applicant's own risk.

The WAIRE Mitigation Program will fund only a percentage of the cost of the ZE technology based on the type of project**.** No administrative or operational costs will be funded. For on-road ZE trucks, the ZE technology must be certified, verified or approved by CARB.

All project costs must be clearly indicated in the application. In addition, Applicants must disclose all sources of co-funding, including the name of the funding source and amount of funding in the application.

APPLICATION SUBMISSION

All online applications must be submitted according to specifications set forth herein. Failure to adhere to these specifications may be cause for rejection of the application without evaluation. Incentive funds will be granted to applicants that meet all criteria of the program and will be selected on a first-come, first-served basis. South Coast AQMD staff will evaluate all eligible online applications in respective SRAs accordingly.

Grounds for Rejection: An application may be immediately rejected if:

- The application is incomplete.
- It does not include correct documentation and other forms required.
- It is not signed by an individual authorized to represent the firm.

Below is a list of all application forms and attachments for the WAIRE Mitigation Program:

- Applicant information
- Category application
- Business Information Forms:
    - Attachment 1 – Business Information Request
    - Attachment 2 – Campaign Contribution Disclosure
    - Attachment 3 – Business Status Certification
    - Attachment 4 – W-9 – Requested for Taxpayer Identification Number and Certification
    - Attachment 5 – Direct Deposit Form
    - Attachment 6 – Form 590 Withholding Exemption Certification
    - Attachment 7 – Certificate Regarding Debarment, Suspension, and Other Responsibility Matters
    - Attachment 8 – Labor Form

Note: Each Attachment (1-8) should be completed and submitted with each set of projects. If your application is approved, an updated Campaign Contribution Disclosure may be requested by the Project Officer at a later date.

Business Information Forms: All business information forms **must** be completed and submitted with the online application. These business forms will also be available on the WAIRE Mitigation Program GMS. South Coast AQMD "Business Information Forms" requiring signatures must be scanned and uploaded to the electronic application in PDF format.

Project Specific Supplemental Documentation: For truck projects, applicants must submit supplemental documentation proving activity within the funding SRA. Such documentation includes current delivery or related contracts and an attestation of annual estimated truck trips and warehouse stops.

Infrastructure projects require supplemental documentation demonstrating project site control (e.g., proof of land ownership, long-term lease or an easement valid for the duration of the project life, CEQA Notice of Determination) and a formal commitment from applicable utility provider to supply sufficient power capacity at the site to support the proposed infrastructure. An attestation of estimated number of trucks or equipment expected to utilize the electric charging or hydrogen fueling stations is required.

Disposition of Applications: South Coast AQMD reserves the right to reject any or all applications. All responses become the property of South Coast AQMD. A copy of each application not selected for funding shall be retained for one year.

SECTION IV – WORK STATEMENT/SCHEDULE OF DELIVERABLES

As part of the application, Applicants must sign and agree to the terms and conditions of the requirements for submittal of additional project information to finalize an agreement and that all trucks shall be in operation within 18 months of agreement execution and all infrastructure equipment shall be in operation within 36 months of agreement execution, unless otherwise approved by the Project Administrator.

SCOPE OF WORK

The scope of work will describe tasks and deliverables that demonstrate compliance with the requirements of the South Coast AQMD. The project Applicant is responsible for developing any plans to carry out the project and ordering equipment that complies with the program criteria and guideline requirements.

At a minimum, any agreement for funding the proposed project must meet the following criteria:

- Commit that project equipment operate and are in service for the full project life and meet the criteria laid out in this PA, including requirements of the Geographical Requirements subsection in Section I.
- Provide appropriate recordkeeping during the three-year project life including submission of annual reports as detailed in the Annual Reporting Requirements section below.
- Ensure that the project complies with all applicable state, federal, and local rules and regulations.
- If requested, Recipient must provide a financial statement and bank reference, or other evidence of financial ability to fulfill agreement requirements.
- If requested, Recipient must make all equipment and records, including GPS logs, available to South Coast AQMD for audit and inspections.

INSPECTIONS AND PAYMENT TERMS

Upon delivery of new trucks or completion of specified infrastructure milestones, the applicant must notify South Coast AQMD staff so an inspection may be performed. For infrastructure projects, milestone inspections may occur before equipment is installed. During inspections, South Coast AQMD inspectors will verify the applicable project elements and confirm progress toward meeting program requirements. Inspections can occur virtually or in person at the discretion of South Coast AQMD.

For all projects, payment will be made upon the submittal of a complete and valid invoice along with invoice supporting documents, if applicable, for the reimbursement of costs paid by the Recipient for the new truck/equipment, and verification that the truck/equipment meets the program requirements and was placed into regular operating service. The Recipient will be required to report all funding sources prior to invoice payment.

ANNUAL REPORTING REQUIREMENTS

The agreement will describe how the project will be monitored and what type of information must be submitted as part of the reporting requirements. Funded trucks and equipment must meet the Geographical Requirements section outlined in Section I. At a minimum, South Coast AQMD requires receipt of an annual report for each year during the three-year project life which provides:

- ZE Truck Purchases:
  - On-Road Trucks Only:

        - Photo of VIN
        - California issued DMV registration documentation
    - Yard Trucks Only:
        - Annual hours of operation
    - Self-certification of compliance with labor laws
    - Insurance certificate(s)
    - Annual usage records of odometer, hour meter, or power/fuel consumption readings
    - Self-certification of where the truck or equipment was operated, total miles traveled, number of visits per year to warehouses in SRA
    - Operational and maintenance issues encountered and how they were resolved, if they impacted required performance metrics
    - GPS logs and/or telematics data to verify compliance, if requested by South Coast AQMD

- Infrastructure Projects:
    - Annual output/energy usage during the reporting period
    - Documentation regarding any problems/issues of any unscheduled downtime that occurred during the reporting period, the cause of the downtime, and the resolution of the issue
    - Sufficient proof of property insurance
    - Records of the energy meter to support the reported annual usage
    - Applicable documentation demonstrating compliance with Infrastructure Project Requirements in Section V below

South Coast AQMD reserves the right to verify the information provided.

SECTION V – LEGAL UPDATES AND DEFINITIONS

CONFLICT OF INTEREST

Applicants must address any potential conflicts of interest with other clients affected by actions performed by the firm on behalf of the South Coast AQMD. The South Coast AQMD reserves the right to consider the nature and extent of potential conflicts of interest in evaluating the application.

Conflicts of interest will be screened on a case-by-case basis by the South Coast AQMD General Counsel's Office. Conflict of interest provisions of the state law, including the Political Reform Act, may apply to work performed pursuant to this agreement. An example of a conflict of interest may occur when a consultant applying on behalf of an applicant for funding under the WAIRE Mitigation Program is also contracted with South Coast AQMD.

COMPLIANCE WITH APPLICABLE LAWS

Applicants must comply with all air quality regulations. If the application is eligible for funding, all vehicles and/or equipment to be purchased, or installed must be compliant with all applicable federal, state, and local air quality rules and regulations, and will maintain compliance for the full Agreement term. As part of this requirement, applicants subject to South Coast AQMD Rule 2305 – Warehouse Actions and Investments to Reduce Emissions must have submitted all required reports for that rule and not have any unresolved Notices of Violation for Rule 2305 or any other South Coast AQMD rule. Additionally, if awarded, the Recipient will be required to notify South Coast AQMD in writing if they have been found by a court or other agency to have violated any air quality rules or regulations.

COMPLIANCE WITH LABOR LAWS

If an application is deemed eligible, the applicant will be required to provide any labor violations that have occurred within the last three years to be further considered for an award. If awarded, the Recipient will be required to notify South Coast AQMD in writing if they have been found by a court or federal or state agency to have violated labor laws. As part of their annual report, the Recipient will complete a yearly certification in which they will either state that they have not been found by a court or federal or state agency to have violated labor laws or, if such violations have been found, the Recipient will give South Coast AQMD details about those violations in the certification. If the Recipient has previously provided that information to the South Coast AQMD, they will be required to reattach that previous notification to the certification and provide any additional details about those violations that have not previously been provided. The Recipient's yearly certification will be due at the same time as the annual progress reports. South Coast AQMD reserves the right to terminate the agreement with a Recipient that has been found to have violated labor laws, and the Recipient may be required to return any and all contract funds, as determined by South Coast AQMD. The Recipient will also ensure that these requirements are included in all subcontracts.

STATEMENT OF COMPLIANCE

Government Code Section 12990 and California Administrative Code, Title II, Division 4, Chapter 5, require employers to agree not to unlawfully discriminate against any employee or applicant because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, sex, or age. A statement of compliance with this clause is included in all South Coast AQMD agreements.

INFRASTRUCTURE PROJECT REQUIREMENTS

Recipients of WAIRE Mitigation Program incentives that involve construction work must use a skilled and trained workforce as defined in CA Public Contract Code section 2601 to perform such work. Additionally, installation of electric vehicle infrastructure shall be installed by a contractor with the appropriate license classification, as determined by the Contractors' State License Board. At any given time, at least one electrician on each crew must hold an Electric Vehicle Infrastructure Training Program (EVITP) certification. If an electric vehicle infrastructure project involves installing a charging port supplying 25 kW or more, at any given time, require that at least 25 percent of the total electricians hold EVITP certification, consistent with CA Public Utilities Code section 740.20. For more information please visit: https://evitp.org/.

DEFINITIONS

CARB Certified

Vehicle or engine that has been certified and issued an Executive Order by CARB. Executive orders are available on CARB's website here:
https://ww2.arb.ca.gov/executive-orders-certifications-verifications

Funding Source Receptor Area (Funding SRA)

The Source Receptor Area associated with the warehouse location where mitigation fees were generated and from which eligible projects may receive funding.

Gross Vehicle Weight Rating (GVWR)

The maximum weight of the vehicle, as specified by the manufacturer. GVWR includes total vehicle weight plus fluids, passengers, and cargo.

Class 4: 14,001-16,000 lb.
Class 5: 16,001-19,500 lb.
Class 6: 19,501-26,000 lb.
Class 7: 26,001-33,000 lb.
Class 8: > 33,000 lb.

New Vehicle
A vehicle constructed entirely from new parts that has never been the subject of a retail sale, or registered with the Department of Motor Vehicles, or registered with the appropriate agency or authority of any other state, District of Columbia, territory or possession of the United States, or foreign state, province, or country.

Project Life
Project life is the period of the agreement term during which the new truck/equipment is operated, and the recipient must report annual usage.

Publicly Accessible
Available to any ZE commercial fleet with Class 4 and above vehicles with no physical access restrictions during regular business hours.

Shared Station
An EV charging or hydrogen fueling station that is open to authorized commercial motor vehicle operators from more than one company (the station cannot be limited to one company's sole use).

South Coast AQMD Jurisdiction
The South Coast AQMD is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties. Within Riverside County, the South Coast AQMD also has jurisdiction over the Salton Sea Air Basin and a portion of the Mojave Desert Air Basin. Visit http://www.aqmd.gov/nav/about/jurisdiction for more information.

Source Receptor Area (SRA)
Within the South Coast AQMD Jurisdiction, there are 37 Source Receptor Areas (SRAs) for the purposes of air quality monitoring and forecasting. SRAs are specific geographic regions used to understand and manage air quality. The South Coast AQMD uses this framework to assess air quality, forecast pollution levels, and determine the potential impact of projects on localized air quality. In the context of the WAIRE Mitigation Program and WAIRE Program, SRAs are also used to track mitigation fee payments and expenditures. See the following link for a SRA map that allows addresses to be plotted. (https://data-scaqmd-online.opendata.arcgis.com/maps/814d6e7a791044dabcb3d0d4b8af4df9/explore)

Warehousing Activities
Operations at a warehouse related to the storage and distribution of goods, including but not limited to the storage, labeling, sorting, consolidation and deconsolidation of products into different size packages. Supporting office administration, maintenance, manufacturing areas, or retail sales areas open to the general public, within the same warehouse building, that are physically separate from the

warehouse area, are not considered warehousing activities.

Yard Truck
An on-road or off-road mobile utility vehicle used to carry cargo containers with or without chassis; also known as a utility tractor rig, yard tractor, yard goat, yard hostler, yard hustler, or prime mover.

Zero-Emission Vehicle
An on-road or off-road vehicle with a drivetrain that produces zero exhaust emissions of any criteria pollutant (or precursor pollutant) under any possible operational modes or conditions.

SECTION VI – WAIRE Mitigation Program Contact Information
For general information or questions about this solicitation, please email: waire-incentives@aqmd.gov or visit https://www.aqmd.gov/home/programs/business/waire-mitigation-program/.

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Issue Program Announcement for Zero-Emission Trucks and Zero-Emission Infrastructure for Year 2026 Warehouse Actions and Investments to Reduce Emissions Mitigation Program

Ian MacMillan

Background

- South Coast AQMD Rule 2305 (WAIRE Program) applies to ~4,000 large warehouses and allows multiple compliance options, including a mitigation fee option
- Mitigation fees will be used to support projects that reduce emissions associated with warehousing operations

- Some program requirements have previously been established with Rule 2305 adoption
  - Geographic restrictions, allowing stacking with other programs, skilled and trained workforce for infrastructure
  - Annual funding solicitations and awards reviewed by Technology Committee and Board

WAIRE Mitigation Program Overview

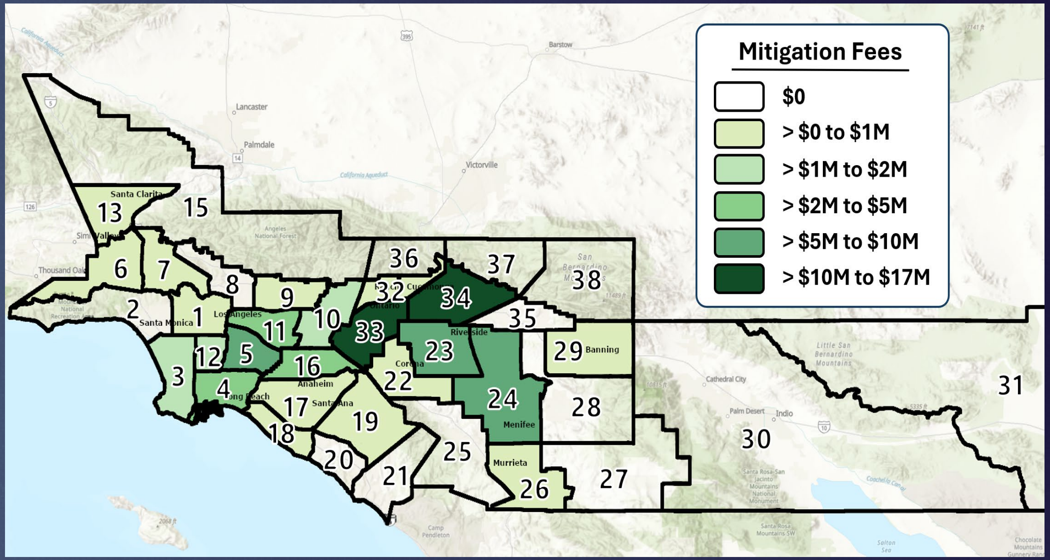
- First year of WAIRE Mitigation Program proposes to use mitigation fees to provide incentive funding for zero-emissions (ZE) trucks and charging/fueling infrastructure related to warehousing activities
  - Up to $73,135,300 in incentive funding available
- Program design informed by public process beginning with Rule 2305 rulemaking and shaped through stakeholder meetings, public webinars, written comments, and other outreach efforts

Previous Virtual Presentations	• Invest Clean Workshop #1 – Feb 19, 2025 • Invest Clean Workshop #2 – May 22, 2025 • Environmental Justice Advisory Group – Aug 22, 2025
WAIRE Mitigation Program Webinars	• Virtual Webinar #1 - Feb 27, 2026 • Virtual Webinar #2 – May 13, 2026*

*Request from April 2026 Technology Committee meeting

Proposal and Geographic Requirements - Source Receptor Area (SRA)

- First-come/first-serve per funding SRA, for applicants that meet all criteria of the program
- Projects using mitigation funds must stay within SRA of warehouse that paid the mitigation fee
  - If insufficient projects in an SRA, funding can be used in adjacent SRA in same county, or get rolled over to next year
- Connecting funding to SRA:
  - On-Road Vehicles – Domiciled within or 100 annual trips to warehouses within SRA boundaries
  - Yard Trucks – Domiciled within SRA boundaries
  - Infrastructure – Located within SRA boundaries



Summary of Program Design

- Open to warehouse owners/operators, fleet operators, or ZE truck fueling and charging infrastructure operators serving warehouses
  - Must be in operation prior to Program Announcement
- ZE Categories: On-Road Trucks and Yard Trucks, Electric Charging and Hydrogen Fueling Infrastructure
- Application portal planned to open from Sept 22, 2026 to Dec 15, 2026
  - Three-week drafting period before submissions open on Oct 13, 2026; allows applicants time to ask questions and prepare before first-come/first-serve window
  - Applications evaluated on a rolling schedule
  - Contract execution after Governing Board award approval

Proposed Program Funding Levels

Maximum Program Funding Amounts	
ZE Trucks (On-road Trucks and Yard Trucks)	**ZE Infrastructure** (Electric Charging and Hydrogen Fueling)
Class 4-5: \$60,000 **Class 6-7**: \$85,000 **Class 8**: \$120,000 (EV), \$240,000 (HFCV)	**Electric Charging**: \$300/kW output **Hydrogen Fueling**: \$8,000/kg/day capacity

EV = Electric Vehicle, HFCV = Hydrogen Fuel Cell Vehicle

- Program funding is not intended to cover all project costs; funding can be stacked with other incentive programs up to 85% of total eligible costs (minimum 15% cost share)
  - New vehicle purchases; no scrapping required
  - Vehicle eligible costs include vehicle price, taxes, and government fees
  - Infrastructure eligible costs include equipment cost (plus taxes and government fees), and direct installation costs (up to 50% of total award)
- Vehicle delivery and infrastructure installation/commissioning subject to inspection

Key Comments and Staff Responses

Allow Truck Leasing	Leasing complicates verification, responsibilities, and program requirements
Make Low-NOx Trucks Eligible	Current regulatory landscape makes low-NOx trucks ineligible for WAIRE points or funding
Allow Repowers/ Conversions	Custom engineering and variable lead times increase program complexity
Allow Smaller Medium-Duty Vehicles (Class 2b–3)	May be considered later; currently funded by other programs and requires increased staff work for verification
Prioritize Disadvantaged Communities	Program already focuses funding around communities most impacted by warehouses using SRA map
Focus on Existing Warehouses	Eligibility limited to existing warehouses or those already under construction at the time of the Program Announcement

Summary of Recommended Actions

- September 4, 2026 Governing Board Meeting
  - Issue Program Announcement #PA2027-01 providing up to $73,135,300 from the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86) to incentivize zero-emission Class 4 to 8 vehicles and electric charging or hydrogen fueling infrastructure projects for the Year 2026 WAIRE Mitigation Program
  - Reimburse the General Fund up to $4,570,956 from the Rule 2305 Mitigation Fee Alternate Compliance Special Revenue Fund (86) for administrative costs incurred in implementing the program

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BOARD MEETING DATE: September 4, 2026 AGENDA NO.

PROPOSAL: Issue Program Announcement and Execute Contracts for Proposition 1B – Goods Movement Emission Reduction Program

SYNOPSIS: In 2008, $1 billion in bond funding was authorized under the Proposition 1B – Goods Movement Emission Reduction Program (Prop 1B). The majority of funding under Prop 1B has been allocated; however, funds remain from withdrawn Prop 1B projects. A Program Announcement (PA) is needed to award remaining Prop 1B funds towards locomotive, cargo handling equipment, transport refrigeration unit, and ships at-berth projects. These actions are to: 1) issue and, if necessary, reissue, a PA for locomotive, cargo handling equipment, transport refrigeration unit, and ships at-berth projects under Prop 1B; and 2) authorize the Executive Officer to execute contracts for eligible projects resulting from the PA until all funds are exhausted from the Prop 1B Fund (81) and funds from At-Berth Regulation Remediation Special Revenue Fund (88).

COMMITTEE: Technology, August 21, 2026; Recommended for Approval

RECOMMENDED ACTIONS:
1. Issue, and if necessary, reissue Program Announcement (PA) #PA2027-02 for Locomotive, Cargo Handling Equipment, Transportation Refrigeration Unit (TRU), and Ships at-berth projects under Proposition 1B – Goods Movement Emission Reduction Program (Prop 1B); and
2. Authorize the Executive Officer to execute contracts for eligible projects resulting from the Program Announcement until all funds are exhausted from the Prop 1B Fund (81), which is estimated to be $50,000,000, and up to $20,000,000 of the At-Berth Regulation Remediation Special Revenue Fund (88).

Wayne Nastri
Executive Officer

AK:MW:TL:KM:AW

Background
Prop 1B authorizes a total of $1 billion to CARB for the Goods Movement Emission Reduction Program (Goods Movement Program). The Goods Movement Program is intended to reduce emissions from goods movement operations in four priority trade corridors: Los Angeles/Inland Empire, Central Valley, Bay Area and San Diego/Border. CARB has granted more than $480 million in Prop 1B funds to South Coast AQMD since the program's inception in 2008 to reduce emissions from the goods movement sector. Funded projects have included the replacement of heavy-duty diesel trucks, TRUs, locomotives, and cargo-handling equipment with cleaner technologies, as well as the installation of shore power systems for ships at berth.

In September 2015, CARB awarded South Coast AQMD the fifth funding cycle of Prop 1B funding, for $117,500,000. In August 2020, CARB awarded an additional $6,406,088, which was an allocation from the unspent CARB Diesel Particulate Filter substrate program funds, to fund additional projects under Prop 1B. South Coast AQMD has issued ten solicitations under the final funding cycle, including six for trucks, two for cargo handling equipment, and two for the locomotive category under the Goods Movement Program. Although the heavy-duty truck solicitations were initially oversubscribed, many award recipients decided not to proceed with the award due to the pandemic and economic hardships associated with the rising cost of the equipment. As a result, approximately $50,000,000 of the Prop 1B Program funds remain. In April of 2025, in an effort to keep pace with rising equipment costs, CARB released Executive Orders under the Prop 1B Program to increase the incentive amounts for the locomotive, cargo handling equipment, and TRU categories. Staff also proposes to expand the solicitation project categories to reduce emissions from ships at-berth through shore power projects to encourage participation.

The CARB At-Berth Remediation Fund is a compliance mechanism under California's Ocean-Going Vessels At-Berth Regulation. It allows vessel and terminal operators to pay a fee to remediate uncontrolled emissions when they are unable to use a CARB Approved Emission Control Strategy due to specific, limited circumstances. South Coast AQMD was selected as the Remediation Fund Administrator to manage funds and remediate excess emissions from the vessels calling the Ports of Los Angeles and Long Beach by implementing emission-reduction projects. Staff recommends utilizing $20,000,000 from the at-Berth Remediation Fund (88) to fund eligible shore power and cargo handling equipment projects at and/or near the San Pedro Bay ports.

Proposal
This action is to issue #PA2027-02 to solicit Locomotive, Cargo Handling Equipment, TRU, and Ships at-Berth projects under the Prop 1B-Goods Movement Program and authorize the Executive Officer to execute contracts for eligible projects under the Prop 1B Program and with funds from the At-Berth Regulation Remediation Special Revenue Fund.

Potentially up to $70,000,000 in funds, including funds from the At-Berth Regulation Remediation Special Revenue Fund, are available for eligible projects under this solicitation. Funding is available for the following project categories: replacement or retrofit of medium and line-haul locomotives, supporting infrastructure for locomotives, replacement or conversion of cargo handling equipment with zero-emission technologies, battery charging units for the zero-emission yard trucks and lifts, TRU, transport refrigeration unit supporting infrastructure, ships at-berth grid-based infrastructure, and ships at-berth non-grid-based power projects. The cargo handling equipment category also includes rubber-tired gantry cranes, yard trucks, forklifts and lifts.

Up to $20,000,000 of the At-Berth Remediation Funds will also be used to support eligible zero-emission cargo handling equipment and shore power projects that support the deployment of zero-emission commercial harbor craft to mitigate the impacts on communities from excess emissions from port operation and vessel visits to the Ports of Los Angeles and Long Beach.

Outreach

In accordance with South Coast AQMD's Procurement Policy and Procedure, a Public Notice advertising the PA and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Air Basin. Additionally, potential bidders may be notified by utilizing South Coast AQMD's electronic listing of certified minority vendors. Notice of the PAs will be emailed to the Legislative Caucuses and various minority chambers of commerce and business associations and placed on South Coast AQMD's website (http://www.aqmd.gov) under "Grants & Bids."

Benefits to South Coast AQMD

The South Coast Air Basin is designated by U.S. EPA as extreme nonattainment for ozone. NOx and VOC emissions are ozone precursors and the rate of ozone formation within the South Coast Air Basin is controlled by reducing NOx emissions. Mobile sources, as shown in the South Coast AQMD's 2022 AQMP, are the most significant sources of NOx emissions. Incentives directed toward replacing older, higher-emitting mobile source vehicles and equipment with newer, cleaner technological alternatives help advance progress toward meeting air quality goals for the region. The implementation of Prop 1B incentive programs will help replace higher polluting locomotives, cargo handling equipment and TRUs with cleaner alternatives. Since the program's inception, more than 7,200 vehicles/equipment have been deployed, providing approximately 7,600 tons of NOx and 226 tons of PM emission reduction benefits to the region.

Resource Impacts
Remaining funds from withdrawn projects and the interest accrued, potentially up to $50,000,000, and funds generated under the At-Berth Regulation Remediation Special Revenue Fund will be awarded to eligible projects with CARB's approval from the Prop 1B Program Fund (81) until all funds are exhausted. Additional eligible projects may be awarded through At-Berth Remediation Funds (88) of up to $20,000,000 and sufficient funds are available.

Attachments
Prop 1B Program #PA2027-02 for Locomotive, Cargo Handling Equipment, TRUs, and Ships at-berth Projects

South Coast AQMD Program Announcement For Cargo Handling Equipment, Locomotives, Ships at Berth Emissions Capture and Control Systems, and Transport Refrigeration Units Proposition 1B - Goods Movement Emission Reduction Program PA2027-02

The South Coast Air Quality Management District (South Coast AQMD) is pleased to announce the availability of funds from the Proposition 1B - Goods Movement Emission Reduction Program (hereafter "Program"). The Program is administered by a partnership between the California Air Resources Board (CARB) and local agencies to quickly reduce air pollution emissions and health risk from freight movement along California's trade corridors. Projects funded under this Program must achieve early or extra emission reductions not otherwise required by law or regulation. Approximately $70 million in Program funding is expected to be available to South Coast AQMD to solicit projects for Locomotives, Cargo Handling Equipment, Transport Refrigeration Units (TRUs), Ships at berth emission capture & control systems and shore power systems used in freight movement to upgrade to cleaner technologies.

WHO: The following may apply for funding through this solicitation

1. Locomotive projects: Owners of existing diesel-powered freight locomotives with no or minimal emission control technology (i.e., uncontrolled, or meeting Tier 0 through Tier 2 standards). Existing Tier 3 locomotives may be eligible if replaced with a zero-emission locomotive.
2. Cargo Handling Equipment projects: Owners of existing diesel-powered yard trucks, lifts (as defined below), or rubber-tired gantry cranes (RTGs) operating at a seaport (port), intermodal railyard, or freight facility in the four California trade corridors.
3. Transport Refrigeration Units (TRU): Owners of existing diesel TRUs that are used to move goods (a majority of the time) for the past 2 years, existing freight facilities within one of California's four trade corridors where TRUs congregate, and existing insulated trailers that are used for cold storage at grocery stores or retail stores that sell groceries in the four trade corridors.
4. Ships at Berth: Owners of existing cargo ship berth, existing cargo ship terminals, or barge-based systems at a seaport located within the four California trade corridors that receives visits solely by vessels not subject to the control requirements of ARB's Ships at Berth Rule.

WHAT: Project options available as part of this solicitation:

For Locomotive projects:

1. Replace or Retrofit switcher locomotive (1,006 hp – 2,300 hp)
2. Replace or Retrofit medium horsepower locomotive (2,301 hp - 4,000 hp)
3. Replace or Retrofit line-haul locomotive (4,001 hp or higher)
4. Electric Charging or Hydrogen Fueling station

For Cargo Handling Equipment projects:

1. RTG Crane Conversion/Replacement
2. Yard Truck Conversion to Electric
3. Yard Truck Replacement – Electric or Fuel Cell
4. Yard Truck Battery Charger or Hydrogen Fueling Station (Supporting Infrastructure)
5. Forklift Replacement – Electric or Fuel Cell
6. Lift Replacement – Electric or Fuel Cell

For Transport Refrigeration Units (refrigeration units only):

1. Transport Refrigeration Unit (TRU) Replacement - Electric or Fuel Cell
2. TRU Power Plug Installation (supporting infrastructure)
3. Cryogenic Transport Refrigerator Replacement
4. Cryogenic Refrigeration Fueling Infrastructure Installation at Distribution Center

For Ships at Berth (Project must generate surplus reductions not required by At-Berth Regulation):

1. Grid-Based Power
2. Non-Grid-Based Power

Equipment specifications for each of these project options can be found in Appendix B, C, E, and F of the 2015 Program Guidelines at:
https://ww2.arb.ca.gov/resources/documents/proposition-1b-guidelines Board

HOW: Applications must be submitted through South Coast AQMD's Grant Management System (GMS), which can be found at: http://www.aqmd.gov/prop1b.

WHEN: Applications can be submitted starting September 8, 2026, at 12 PM PT and will be accepted until November 20, 2027, at 1 PM PT or until program funds are encumbered.

SCHEDULE:

Issue Program Announcement	September 4, 2026
Solicitation Opens	September 8, 2026
Application Deadline	November 20, 2026*

* Applications will be accepted through November 20, 2026, or until South Coast AQMD has exhausted all available funding with eligible applications, whichever occurs first.

SUMMARY

The purpose of this Program Announcement (PA) is to provide funding for projects under the State's Proposition 1B – Goods Movement Emission Reduction Program to reduce diesel emissions from freight transportation. This PA will include projects of the following equipment types:

- Locomotives
- RTG cranes
- Yard trucks
- Lifts (forklifts, side handler, top pick, or reach stacker)
- Transport Refrigeration Units (TRUs)
- Ships at Berth

And the supporting infrastructure:

- Battery Charger (Eligible only if applying for Battery Electric Yard Truck or Equipment)
- TRU electric charging stations
- TRU cryogenic refrigeration fueling stations in conjunction with TRU replacement
- Electric Charging or Hydrogen Fueling Station for Locomotive (need to replace/retrofit an existing locomotive to zero-emission technology)
- Shore power grid-based and non-grid-based power

I. BACKGROUND

The diesel engines in trucks, locomotives, ships, harbor craft, and cargo handling equipment are major contributors to the State's air pollution challenges. These sources account for nearly half of the statewide particulate matter (PM) emissions. Diesel PM is both a toxic air contaminant and a contributor to black carbon, a powerful short-lived climate pollutant. Near-source exposure to emissions of this particular matter is associated with health risks, especially near distribution centers, railyards, and seaports, many of which impact disadvantaged communities. Emissions from freight transport also account for over one-third of the statewide nitrogen oxides (NOx) that form fine particles.

To date, CARB has granted approximately $486 million in Prop 1B funds to the South Coast AQMD to reduce emissions from the goods movement sector, including the replacement of heavy-duty diesel trucks, locomotives, cargo handling equipment, and shore power installation for ships at berth. The vast majority of this equipment is currently operational, providing significant emission reduction benefits to the region. Due to the cancellation of several projects, a new solicitation is needed for the remaining funds.

This solicitation is intended to obtain "surplus" emission reductions of NOx and PM from goods movement equipment operating in California trade corridors. It provides financial incentives to equipment owners to replace in-use equipment with cleaner-than-required engine and equipment technologies that will achieve emission reductions that are real, surplus, and quantifiable. It also allows equipment owners to achieve early emissions reductions before they are required by applicable rules, regulations or enforceable agreements. The Program supplements existing regulations and may be combined with Federal or Local funding programs to cut diesel emissions.

II. DEFINITIONS

a. **Cryogenic Refrigeration:** An "alternative technology" that eliminates TRU diesel engine operation (and emissions) while at a facility. These systems commonly utilize either liquid nitrogen or CO_2.
b. **Forklift** An off-road industrial truck used to hoist and transport materials by means of steel fork(s) under the load.
c. **"Goods":** Defined as having the same meaning in Commercial Code section 2105, which essentially requires that: A. The goods must be movable. B. The goods being moved must be part of a transaction that involves a contract for the sale of the goods. C. Rental equipment does not qualify as "Goods".
d. **Lift:** Includes top pick, side handler, reach stacker, or forklift.
e. **Locomotive Retrofit:** Includes rebuild, repower remanufacture, filter installation, and modifications other than replacement, and meet one or more of the following, pursuant to Code of Federal Regulations Title 40, Part 1033.901:
    - To replace, or inspect and qualify, each and every power assembly of a locomotive or locomotive engine, whether during a single maintenance event or cumulatively within a five-year period;
    - To upgrade a locomotive or locomotive engine;
    - To convert a locomotive or locomotive engine to enable it to operate using a fuel other than it was originally manufactured to use; or
    - To install a remanufactured engine or a freshly manufactured engine into a previously used locomotive. Or pursuant to Code of Federal Regulations Title 40, Part 92.2,
    - Replacement of the engine in a previously used locomotive with a freshly manufactured locomotive engine.
f. **Reach Stacker:** An off-road truck-like cargo container handler that uses an overhead telescopic boom that can reach across two or more stacks of cargo containers and lift the containers from the top.
g. **Rubber-Tired Gantry Crane or RTG Crane:** An off-road overhead cargo container crane with the lifting mechanism mounted on a crossbeam supported on vertical legs which run on rubber tires. RTG cranes do not include gantry cranes that operate on steel wheels and rails.
h. **Side Handler or Side Pick:** An off-road truck-like cargo container handler that uses an overhead telescopic boom to lift empty or loaded cargo containers by grabbing either two top corners on the longest side of a container, both arms of one side of a container, or both top and bottom sides of a container.
i. **Transport Refrigeration Unit (TRU):** Refrigeration systems powered by integral internal combustion engines designed to control the environment of temperature sensitive products that are transported in trucks and refrigerated trailers. TRUs may be capable of both cooling and heating.
j. **Top Handler or Top Pick:** An off-road truck-like cargo container handler that uses an overhead telescopic boom to lift empty or loaded cargo containers by grabbing the top of the containers.

k. **Yard Truck:** An off-road mobile utility vehicle used to carry cargo containers with or without chassis; also known as utility tractor rig (UTR), yard tractor, yard goat, yard hostler, yard hustler, or prime mover.

III. OWNERSHIP REQUIREMENTS

Applications shall be signed and submitted by the current legal owner of the existing equipment that will be upgraded or replaced. For infrastructure projects, if there is no existing equipment, the application must be signed and submitted by the future owner of the Program-funded equipment.

Non-owner applications are not eligible for funding. Third party applications are not allowed. Individuals or companies that operate the existing equipment under a lease agreement with the equipment owner are prohibited from applying for bond funding.

Ownership of the existing equipment shall not change from the time an equipment project application is submitted through receiving Program funding.

IV. FUNDING REQUIREMENTS

Table 1: Locomotives and Railyards

Eligible Equipment	Equipment Upgrade (Replace or Retrofit)	Proposed Program Funding	Project Life
Switcher Locomotive (1,006 hp – 2,300 hp)	Tier 0, 1, 2 to Tier 4	Partial funding up to 85% for Class I-III railroads with minimum usage of 20,000 gallons/yr Partial funding up to 42.5% for Class I-III railroads with minimum usage of 5,000 – 19,999 gallons/yr If equipment is banned from CA operation instead of scrapped, funding amount is reduced to 20% of eligible cost.	15 Years

Zero Emission Switcher Locomotive (1,006 hp – 2,300 hp)	Tier 0, 1, 2, 3 to ZE	Partial funding up to 85% for Class I-III railroads with minimum usage of 20,000 gallons/yr Partial funding up to 42.5% for Class I-III railroads with minimum usage of 5,000 – 19,999 gallons/yr If equipment is banned from CA operation instead of scrapped, funding amount is reduced to 20% of eligible cost.	10 Years
Medium Horsepower Locomotive (2,301 hp – 4,000 hp)	Tier 0, 1, 2 to Tier 4	Partial funding up to 85% for Class I-III railroads with minimum usage of 20,000 gallons/yr Partial funding up to 42.5% for Class I-III railroads with minimum usage of 5,000 – 19,999 gallons/yr If equipment is banned from CA operation instead of scrapped, funding amount is reduced to 20% of eligible cost.	15 Years
Medium Horsepower Zero Emission Locomotive (2,301 hp – 4,000 hp)	Tier 0, 1, 2, 3 to ZE	Partial funding up to 85% for Class I-III railroads with minimum usage of 20,000 gallons/yr Partial funding up to 42.5% for Class I-III railroads with minimum usage of 5,000 – 19,999 gallons/yr If equipment is banned from CA operation instead of scrapped, funding amount is reduced to 20% of eligible cost.	10 Years

Line-Haul Locomotive (4,001 hp or higher)	Tier 0, 1, 2 to Tier 4 or ZE	Partial funding based on CA Operation: 85% of eligible cost for 90-100% operation; 70% of eligible cost for 75% operation, 45% of eligible cost for 50% operation, 25% of eligible cost for 30% operation If equipment is banned from CA operation instead of scrapped, funding amount is reduced to 20% of eligible cost.	15 Years (diesel) OR 10 years (ZE)
Electric Charging or Hydrogen Fueling Station*	N/A	Partial Funding up to $250,000 for the purchase of electric charging or hydrogen fueling station for a medium horsepower locomotive.	10 years

*This option is only available if equipment owner replace/retrofits minimum of one (1) locomotive through the Program. Funding for this option will be an addition to the funding for the replacement/retrofit.

Table 2: Cargo Handling Equipment

Eligible Equipment	Project Description	Proposed Program Funding	Project Life
Existing diesel engine rubber-tired gantry crane	Convert or replace with a zero-emission powered system	Partial funding of up to 50% of eligible costs	15 Years
Existing diesel-powered yard truck	Conversion or Replace with a zero-emission yard truck	Partial funding of up to 80% of eligible costs	5 years
Battery Charger or Hydrogen fueling station	Installation of a battery or hydrogen fueling station when equipment owner replaces or converts existing yard tractors	Partial funding up to 50% of eligible costs	5 years
Forklift *Lift capacity 3,000 lbs to 12,000 lbs*	Replace an existing diesel forklift with a Class 1 electric powered forklift including battery and charger	Partial funding up to 50 percent of eligible costs	5 Years
Forklift *Lift capacity of 3,000 lbs to 12,000 lbs*	Replace an existing diesel forklift with a Class 1 fuel cell powered forklift	Partial funding up to 50 percent of eligible costs	5 Years
Lift* *Lift capacity greater than 12,000 lbs*	Replace an existing diesel forklift with a Class 1 electric or fuel cell lift	Partial funding up to 50 percent of eligible costs	5 Years

*Lift includes top pick, side handler, reach stacker, or forklift

Table 3: Transport Refrigeration Units (TRUs)

Project Type	Project Description	Maximum Funding Amounts	Project Life
TRU Replacement	Replace existing diesel TRU with zero emission TRU (e.g. all-electric or fuel cell). Eligible costs include the transport refrigerator and an electric power plug	80% of eligible costs or $150,000, whichever is lower*	5 Years or 10,000 hours
	Replace 5 existing TRUs with 5 zero emission cryogenic transport refrigerators	80% of eligible costs or $100,000 for 5 units, whichever is lower	5 Years or 10,000 hours
TRU Power Plug Installation	Install electric power plugs that are compatible with electrically powered TRUs (e.g. all-electric, hybrid electric, or electric standby-equipped TRUs) at loading docks or a freight facility	50% of eligible costs or $65,000 whichever is lower*	5 Years
Cryogenic Refrigeration Fueling Infrastructure at Freight Facilities	Install infrastructure and equipment for cryogenic refrigeration fueling station at a freight facility	50% of eligible costs or $100,000, whichever is lower	5 Years
Insulated trailer and Electric Plug	For the purchase of an insulated trailer and one electric plug	50% of eligible costs or $40,000, whichever is lower	5 Years

*Pending CARB approval

Table 4: Ships at Berth

Project Type	Project Description	Maximum Funding Amounts	Project Life
Grid-Based Power	Partial Funding to install permanent, grid-based electrical power at a cargo ship berth that receives visits **solely** by vessels not subject to ARB's Ships-at-Berth Rule	50% of eligible cost OR $2,500,000 if CE is at least 0.1 lbs of weighted ER per state dollar; 60% of eligible cost or $3,500,000 if CE is at least 0.2 lbs of weighted ER per state dollar	10 years
Non-Grid-Based Power	Partial funding to install an electricity generating unit that provides power at a cargo ship berth or multiple berths that receive visits **solely** by vessels not subject to ARB's Ships-at-Berth Rule. The unit can be portable or fixed on the terminal. Only ZE units or natural gas engines equipped with selective catalytic reduction to control NOx emissions are eligible.	Up to $200,000 per megawatt of the eligible costs	5 years

V. ELIGIBILITY AND GENERAL REQUIREMENTS

Project eligibility will be based on the Program Guidelines and Executive Orders which can be found at: https://ww2.arb.ca.gov/prop-1b-program.

Additional consideration will be placed on the completeness of application as well as project readiness and timeline to deploy projects should the application be awarded funding.

General Requirements for Locomotive Projects
Selected applicants must sign a contract with South Coast AQMD including project milestones and completion deadlines and commit to the following:

- Commit to the project life specified by the applicable equipment project option
- Adhere to all Program requirements during the project life.
- Agree to equipment inspections.
- Comply with record-keeping, reporting, and Program review or fiscal audit requirements.
- Sign a legally binding contract with the local agency including project milestones and completion deadlines.
- Properly maintain upgraded equipment in good operating condition and according to manufacturer's recommendations.
- Demonstrate proof of equipment warranty and insurance on upgraded equipment that covers the replacement of the equipment.
- Certify that there are no outstanding CARB violations or non-compliance with CARB regulations associated with the equipment or the owner.
- Exclude any Program-funded equipment from the compliance calculations for the 1998 agreement for locomotives operating in the South Coast Air Basin for the duration of the project life (applicable to Union Pacific and BNSF Railway only)

<u>Switcher Locomotive (1,006 hp – 2,300 hp) Projects</u>

- Commit to 90% or 100% California-only operation for the duration of the project life; equipment is permitted to temporarily travel out-of-state for periodic maintenance, if outlined in the contract between the local agency and equipment owner.
- Commit to at least 50% of operation within the four California trade corridors for the duration of the project life.
- Commit to a project life of 15 years for Tier 4 diesel replacements or retrofits.
- Commit to a project life of 10 years for alternative technology replacements or retrofits with lower than Tier 4 emission standards.
- Commit to the funded locomotive using California CARB diesel fuel unless CARB approves an exemption and it is included in the contract between the local agency and equipment owner.
- Scrap the old engine/locomotive or ban old engine/locomotive from California operation (replacements and retrofits involving engine replacement).
- Install an active GPS device on both the old equipment (if not scrapped) and the new equipment; fund and commit to data collection, and report location data.

<u>Zero Emission Switcher Locomotive (1,006 hp – 2,300 hp) Projects</u>

- Commit to 90% or 100% California-only operation for the duration of the project life; equipment is permitted to temporarily travel out-of-state for periodic maintenance, if outlined in the contract between the local agency and equipment owner.
- Commit to at least 50% of operation within the four California trade corridors for the duration of the project life.
- Commit to a project life of 10 years.
- Scrap the old engine/locomotive or ban old engine/locomotive from California operation (replacements and retrofits involving engine replacement).
- Install an active GPS device on both the old equipment (if not scrapped) and the new equipment; fund and commit to data collection, and report location data.

<u>Medium Horsepower (2,301 hp – 4,000 hp) Locomotive Projects</u>

- Commit to 90% - 100% California operation for the duration of the project life; equipment is permitted to temporarily travel out-of-state for periodic maintenance, if outlined in the contract between the local agency and equipment owner.
- Commit to at least 50% of operation within the four California trade corridors for the duration of the project life.
- Commit to a project life of 15 years for Tier 4 diesel replacements or retrofits.
- Commit to the funded locomotive using California CARB diesel fuel unless approved for an exemption and it is included in the contract between the local agency and equipment owner.
- Scrap or ban the old engine/locomotive from California Operation (replacements or retrofits involving engine replacement).
    - Install an active GPS device on both old (if not scrapped) and new equipment, fund and commit to data collection, and report location data.

<u>Medium Horsepower (2,301 hp – 4,000 hp) Zero-Emission Locomotive Projects</u>

- Commit to 90% - 100% California operation for the duration of the project life; equipment is permitted to temporarily travel out-of-state for periodic maintenance, if outlined in the contract between the local agency and equipment owner.
- Commit to at least 50% of operation within the four California trade corridors for the duration of the project life.
- Commit to a project life of 10 years
- Commit to the funded locomotive using California CARB diesel fuel unless approved for an exemption and it is included in the contract between the local agency and equipment owner.
- Scrap or ban the old engine/locomotive from California Operation (replacements or retrofits involving engine replacement).
    - Install an active GPS device on both old (if not scrapped) and new equipment, fund and commit to data collection, and report location data.

Line-Haul (4,001 hp or higher) Locomotive Projects
- Commit to a minimum percentage of California operation per the appropriate funding level for the duration of the project life. Equipment is permitted to temporarily travel out-of-state for periodic maintenance, if outlined in the contract between the local agency and equipment owner.
- Commit to at least a majority of the percentage California operation being within the four California trade corridors for the duration of the project life.
- Commit to a project life of 15 years for Tier 4 diesel replacements or retrofits.
- Commit to a project life of 10 years for alternative technology replacements or retrofits with lower than Tier 4 emission standards.
- Commit to the funded locomotive using California CARB diesel fuel unless approved for an exemption and it is included in the contract between the local agency and equipment owner.
- Scrap or ban the old (uncontrolled through Tier 1+) engine/locomotive from California operation for (replacements or retrofits involving engine replacement) if upgrading a Tier 2 engine/locomotive, the Tier 2 equipment may remain in California and a Tier 0 through Tier 1+ engine/locomotive must be scrapped or banned from California operation (replacements and retrofits involving engine replacement).
    - Install an active GPS device on both old (if not scrapped) and new equipment, fund and commit to data collection, and report location data.

Electric Charging or Hydrogen Fueling Station Projects
- Replace or retrofit a minimum of one locomotive with a zero-emission locomotive.
- Meet all requirements for the zero-emission locomotive replacement project.
- Demonstrate proof of equipment warranty of at least 3 years.
- Comply with all local permitting requirements.
- Commit to a project life of 10 years.

General Requirements for All Cargo Handling Equipment Projects

Selected applicants must sign a contract with South Coast AQMD including project milestones and completion deadlines and commit to the following:
- Certify that there are no outstanding CARB violations or non-compliance with CARB regulations associated with the equipment or the owner.
- Agree to equipment inspections.
- Comply with record-keeping, reporting, and Program review or fiscal audit requirements.
- Properly maintain upgraded equipment in good operating condition and according to manufacturer's recommendations.
- Demonstrate proof of equipment warranty and insurance on upgraded equipment that covers the replacement of the equipment.

Program Requirements for RTG Crane Projects:
- Commit to 15 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Be permitted to keep the existing diesel engine installed and operational for a limited number of hours each year and do the following at their own expense: (1) install an hour meter on the existing diesel

engine and (2) provide activity reports when requested by the local agency or CARB, in a format defined by CARB staff.
- Commit to a maximum limit of diesel engine usage to 30 hours annually based on a rolling 3-year average.
- Comply with all local permitting requirements.
- Demonstrate proof of equipment warranty for 5 years.

Program Requirements for Yard Truck Projects:
- Agree to accept an on-board electronic monitoring unit at any time during the project life.
- Commit to 5 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Demonstrate proof of equipment warranty for the project life and insurance on upgraded equipment.
- Insurance on upgraded equipment shall cover the replacement of the equipment for fuel cell projects.

Program Requirements for Battery Charger or Hydrogen Fueling Station Projects:
- Commit to 5 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Demonstrate proof of equipment warranty of at least 3 years for the charger and 5 years for the trucks.
- Convert a minimum of 1 diesel yard truck to electric or fuel cell powered yard truck (Yard truck Conversion Option), replace a minimum of 1 electric powered yard truck (Yard Truck Replacement Option), or replace a minimum of 1 fuel cell yard truck (Yard Truck Replacement Option).
- Meet all requirements for project Options.

Program Requirements for Forklift (Lift Capacities of 3,000 lbs to 12,000 lbs) Projects:
- Equipment owner shall not replace existing zero emission equipment with new electric or fuel cell powered equipment.
- Commit to 5 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Demonstrate proof of equipment warranty for one year or 1,600 hours, whichever comes first.
- The replacement equipment must serve the same function as the existing equipment.
- The equipment engine must be greater than 25 horsepower.

Program Requirements for Lift (Lift Capacities Greater Than 12,000 lbs) Projects:
- Equipment owner shall not replace existing zero emission equipment with new electric or fuel cell powered equipment.
- Commit to 5 years of 100% California operation in a port, or intermodal railyard, or freight facility service in the four trade corridors.
- Demonstrate proof of equipment warranty for one year or 1,600 hours, whichever comes first and insurance that covers the replacement of the equipment.
- The replacement equipment must serve the same function as the existing equipment.

General Requirements for All TRU Projects

Selected applicants must sign a contract with South Coast AQMD including project milestones and completion deadlines and commit to the following:

- Commit to the project life specified with the applicable equipment project option.
- Sign a legally binding contract with the local agency including project milestones and completion deadlines.
- Demonstrate proof of equipment warranty on the Program-funded equipment.
- Certify that there are no outstanding CARB violations or non-compliance with CARB regulations associated with the equipment or the owner.
- Adhere to all Program requirements.
- Agree to equipment inspections.
- Comply with record-keeping, reporting, and Program review or fiscal audit requirements.
- Properly maintain new or upgraded equipment in good operating condition and according to manufacturer's recommendations.

TRU Replacement Projects

- Commit to a project life of 5 years or 10,000 hours, whichever comes first.
- Scrap the old diesel TRU(s).

Electric Power Plug and Cryogenic Refrigeration Fueling Infrastructure at Freight Facilities Projects

- Install an electric plug capable of providing 460V 3 Phase power (may be capable of other voltages in addition to meeting the 460V requirement).
- Commit to a project life of 5 years.
- Ensure usage of the power plugs and fueling station.
- Comply with all local permitting requirements

Insulated trailer and Electric Plug Projects

- Commit to a project life of 5 years.
- Scrap or destroy the old diesel TRU(s) from the existing trailer.
- Purchase an electric-standby capable TR and install it on the new trailer.
- Install an electric plug capable of providing 460V 3 Phase power (may be capable of other voltages in addition to meeting the 460V requirement).
- Ensure usage of the equipment cold storage at grocery stores or retail stores that sell groceries (i.e. big box retailers) in the four trade corridors.
- Comply with all local permitting requirements.

General Requirements for all Ships at Berth Projects

Selected applicants must sign a contract with South Coast AQMD including project milestones and completion deadlines and commit to the following:

- Commit to the project life specified with the applicable equipment project option
- Have written commitments from the tenant shipping line(s) to:
  - Meet the minimum number of ship visits or hours
  - Sign the equipment project contract (or other written agreement as approved by CARB)
- Adhere to all Program requirements during the project life
- Comply with record keeping reporting and Program review or fiscal audit requirements
- Owners of barge-based systems must sign a legally binding contract with the local agency including project milestones and completion deadlines.
- Owners of stationary equipment, which is attached to real property, must sign a legally binding contract with the port and the local agency (if the local agency is not a port) including project milestones and completion deadlines.
- If the equipment owner is also the local agency administering the grant, the local agency must sign a legally binding contract with CARB including project milestone and completion deadlines.
- Properly maintain all equipment in good operating condition and according to manufacturer's recommendations.
- Demonstrate proof of equipment warranty and insurance on new equipment.
- Comply with local permitting requirements.
- Comply with the Supplemental Procedures available on the Program website.
- Certify that there are no outstanding CARB violations or non-compliance with CARB regulations associated with the equipment or the owner.

<u>Grid-Based Power Projects</u>

- Commit to a project life of 10 years.
- Demonstrate operability with a cargo ship fully powered by shore-based electrical power supplied by the grid-based equipment.

<u>Non Grid-Based Power Projects</u>

- Commit to a project life of 5 years of 100% California operation at the following levels or greater:
  - Port of Los Angeles and Port of Long Beach
    - 1,500 hours per year
  - All other ports within the four California Trade Corridors:
    - 1,000 hours per year
- Demonstrate operability with a cargo ship fully powered by shore-based electrical power supplied by the electricity generating unit.
- Obtain a five year manufacturer's warranty which includes labor and materials to repair and/or replace system component(s) as needed to correct any mechanical, electrical or control system equipment or installation problems resulting in significant loss of usability. The manufacturer's warranty may exclude minor items that are subject to normal wear and tear if approved by CARB.
- Perform source testing to measure emissions from the unit every 1,000 hours of operation, according to the source test requirements contained in CARB's Ships At Berth Rule.

VI. APPLICATION SUBMITTAL REQUIREMENTS

A complete online application must be submitted to South Coast AQMD by no later than the application deadline to be considered for Program funding. It is the applicant's responsibility to ensure the application contains all the required information at the time of submittal to the South Coast AQMD. The South Coast AQMD is not required to contact the applicant to obtain the required information that is missing from the application.

Below is a list of all application forms and attachments for the Prop 1B Program:

- Applicant Information
- Category application specific to your category (one per unit)
- Business Information Forms:
    - Attachment 1 – Business Information Request
    - Attachment 2 – Business Status Certification
    - Attachment 3 – W-9 – Requested for Taxpayer Identification Number and Certification
    - Attachment 4 – Withholding Exemption Certificate
    - Attachment 5 – Campaign Contribution Disclosure

Note: Each Attachment (1-5) should be completed and submitted with each set of projects. If your application is approved, an updated Attachment 5 may be requested by your assigned Project Officer at a later date.

VII. EQUIPMENT PROJECT PURCHASE RESTRICTIONS

Grantee may **not purchase**, receive, install, pay for, or place into operation any engines, equipment, or vehicles, nor may work begin on a repower project or a project to install electrical infrastructure, until the project contract is fully executed. Grantee may preorder prior to contract execution at the equipment owner's risk but can only be purchased once the existing equipment has been pre-inspected and the contract is signed between the grantee and South Coast AQMD. The South Coast AQMD **will not** reimburse grantees for orders or any payments on a new engine, piece of equipment, or vehicle that takes place prior to South Coast AQMD approval of the project through contract execution.

VIII. PAYMENT PROCESS

For all projects payment will be made after the satisfactory completion of a post-inspection by South Coast AQMD and receipt of invoice. Payment will be by reimbursement to grantee or through a direct payment to vendor upon written request of grantee. Reimbursement cannot exceed the amount directly paid by the grantee.

An invoice shall be itemized to include enough detail to ensure that the local agency provides reimbursement only for the eligible project costs yet clear and concise enough to be understandable. Grantee shall not request or receive payment for engines, equipment or infrastructure that are non-operational, taxes, consulting services, license, permit, fees, registration, insurance, or any other cost not eligible for Program funds. Labor expenses are not eligible for payment with Program funds. However, labor expenses shall be included in the itemized invoice with the detailed number of hours charged and hourly wage. Grantee may submit a single itemized invoice for multiple, completed equipment projects under this Program. The invoice shall itemize the charges for each equipment project.

Equipment certification or verification may still be pending at the time of application or contract execution, however, equipment must be verified or certified prior to the payment.

IX. ANNUAL REPORTING REQUIREMENTS

Locomotives

Equipment owners who are awarded funding will be responsible for annual reporting to the South Coast AQMD for the project life. The equipment owner's annual reports shall include, but not be limited to:

- Contact information (owner name, company, address, phone).
- Date and location of locomotives.
- Build number, date, builder, builder model.
- Date of equipment installation.
- Locomotive type.
- Name and location of home railyard.
- Annual megawatt-hours of operation, notch profile, and fuel consumed since last report.
- Representative profile data to determine engine duty cycle.
- Certification and documentation of 90-100% California-only operation (for medium horsepower locomotives).
- Certification and documentation of percentage of operation in the four California trade corridors for medium horsepower locomotives.
- Certification and documentation of percentage of operation in the four California trade corridors for line-haul locomotives.
- Summary of maintenance performed (including location) and inspections conducted.
- GPS data in a useable format.
- The percentage of annual travel in each of the four California trade corridors.
    - Bay Area
    - Central Valley
    - Los Angeles/Inland Valley
    - San Diego
- Certification that the bond-funded project was used in accordance with the signed contract and that all information submitted is true and accurate.
- Other information as requested by CARB or the local agency.

Electric charging stations/hydrogen fueling units

- An estimate of the annual hours of operation.
- Description of any equipment failure or other event that prevented locomotives from using the charging/fueling units for more than one week.

Cargo Handling Equipment

Equipment owners who are awarded funding will be responsible for annual reporting to the South Coast AQMD for the project life. The equipment owner's annual reports shall include, but not be limited to:

- Contact information (owner name, company, address, phone).
- Date and location of installation of equipment.
- Equipment type and name of home port, railyard or freight facility.
- RTG crane, side pick, top pick, reach stacker and yard truck or yard truck and battery charging station, make, model, year, serial number, and power rating.
- Annual hours of operation.
- Summary of maintenance and inspections conducted.
- Signed certification statement that the bond-funded technology was installed on the equipment for which it was approved, and that all information submitted to the local agency is true and accurate.
- Other information as requested by South Coast AQMD.

Zero Emission TRUs or Cryogenic TR

Equipment owners who are awarded funding will be responsible for annual reporting to the South Coast AQMD for the project life. The equipment owner's annual reports shall include, but not be limited to:

- Contact information (owner name, company, address, phone number).
- Project completion date.
- Equipment type.
- Infrastructure and/or equipment utilization.
- Annual hours of operation.
- Description of any equipment failure or other event that prevented TRs from operating for more than one week.
- Certification of insurance.
- Signed certification statement that the bond-funded technology was installed on the equipment for which it was approved, and that all information submitted to the local agency is true and accurate.
- Other information as requested by South Coast AQMD.

Electric or Cryogenic Infrastructure and Equipment
Equipment owners that are awarded funding will be responsible for annual reporting to the South Coast AQMD for the project life. The equipment owner's annual reports shall include, but not be limited to:

- Contact information (owner name, company, address, phone number).
- Facility location.
- Project completion date.
- Actual number and duration of TRU/TR connections to equipment per unit in the reporting period.
- Electricity/fuel annual usage documentation.
- Summary of maintenance and inspections conducted.
- Description of any equipment failure or other event that prevented TRU/TRs from using the system for more than one week.
- Certification of insurance.
- Signed certification statement that the bond-funded project was installed and is operating as it was approved in the post-inspection and that all information submitted to the South Coast AQMD is true and accurate.
- Other information as requested by South Coast AQMD.

Ships at Berth Projects
Equipment owners shall be responsible for annual reporting to the South Coast AQMD for the equipment project life. The equipment owner annual report shall include, but not be limited to:

- Contact information (owner name, company, address, phone).
- Description of shore power system (if applicable).
- Port and berth name(s)/identifier(s).
- Date and location of equipment installation.
- Vessel type, name, and Lloyd's number of vessels utilizing the system.
- Total ship visits utilizing the system by berth.
- Signed certification statement that the bond-funded project was operated in accordance with signed contract and that all information submitted is true and accurate.
- Project records must be retained for at least 2 years after contract execution or 3 years after final project payment, whichever is later.
- Other information as requested by South Coast AQMD.

X.USEFUL RESOURCES

CARB Goods Movement Emission Reduction Program:
http://www.arb.ca.gov/bonds/gmbond/gmbond.htm

CARB Executive Order G-25-093
Executive Order G-25-093

CARB Cargo Handling Equipment Website:
http://www.arb.ca.gov/ports/cargo/cargo.htm

Transport Refrigeration Units Website:
https://ww2.arb.ca.gov/our-work/programs/transport-refrigeration-unit

South Coast AQMD Prop. 1B Website (where a copy of the solicitation can be found)
http://www.aqmd.gov/prop1b

CONTACT FOR ADDITIONAL INFORMATION:
Questions regarding the content or intent of this PA or procedural matters can be found at the South Coast AQMD Proposition 1B website (www.aqmd.gov/prop1b) or can be addressed via e-mail at prop1b@aqmd.gov. Inquiries can also be addressed to:

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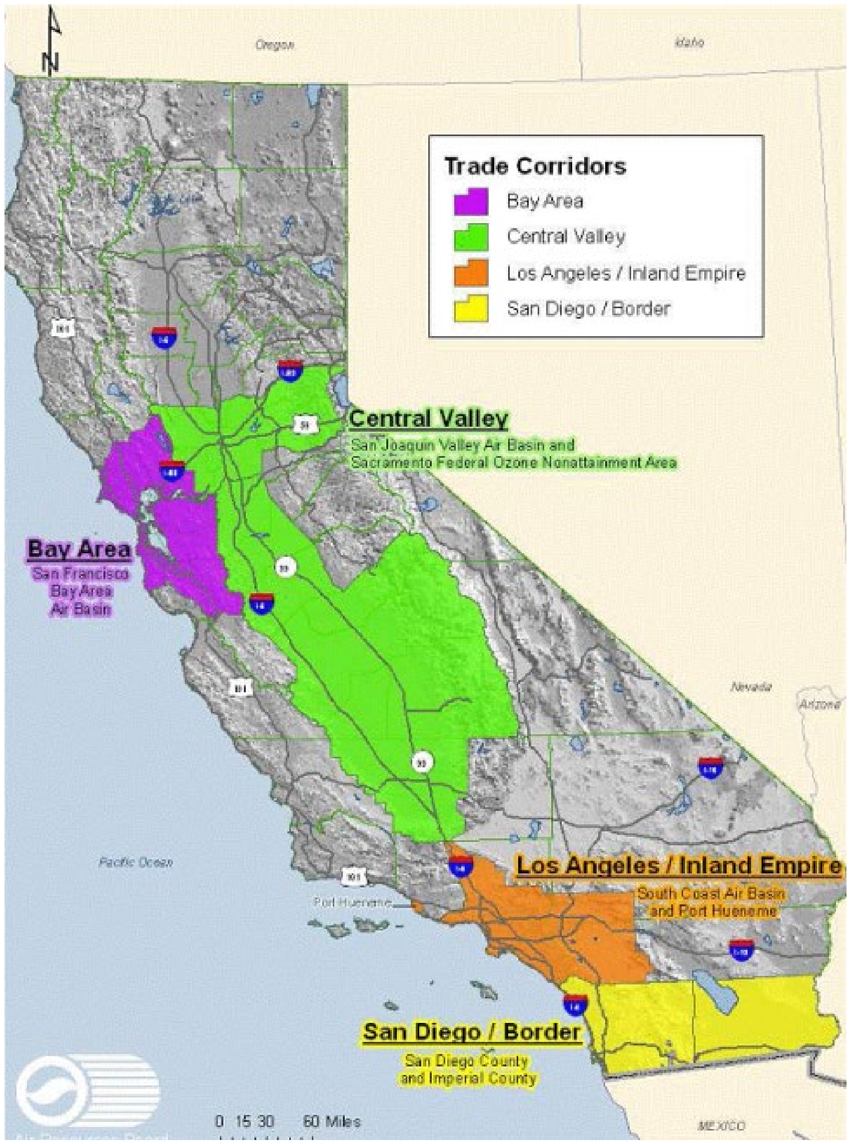
MAP OF TRADE CORRIDORS


Oregon
Idaho
Trade Corridors
Bay Area
Central Valley
Los Angeles / Inland Empire
San Diego / Border
Central Valley
San Joaquin Valley Air Basin and
Sacramento Federal Ozone Nonattainment Area
Bay Area
San Francisco
Bay Area
Air Basin
Nevada
Arizona
Pacific Ocean
Port Hueneme
Los Angeles / Inland Empire
South Coast Air Basin
and Port Hueneme
San Diego / Border
San Diego County
and Imperial County
0 15 30 60 Miles
MEXICO

Agenda Item # 2

Issue Program Announcement and Execute Contracts for Prop 1B -Goods Movement Emission Reduction Program

Krystle Martinez

Background

- Since 2008 South Coast AQMD has received over $480 million for Prop 1B
- To date over 7,000 pieces of cleaner equipment deployed
  - Trucks, transportation refrigeration units(TRUs), locomotives, cargo handling equipment(CHE) and shore power installation
  - 7,600 tons of NOx and 226 tons of PM reduced annually
- September 2015, South Coast AQMD received $117.5 million for the fifth cycle of Prop 1B
- August 2020 an additional $6.4 million was awarded to South Coast AQMD for the Prop 1B Program

Background Continued

- Approximately $50 million remains from withdrawn projects and accrued interest
  - Heavy-duty truck solicitations were initially oversubscribed
  - Many awardees withdrew due to the pandemic and the rising cost of equipment
- At-Berth Remediation Fund: Compliance fund under California's Ocean-Going Vessels At-Berth Regulation to implement emission-reduction projects at the Ports of Los Angeles and Long Beach
  - Up to $20 million from the At-Berth Remediation Fund (88) to fund eligible shore power and cargo handling equipment projects at and/or near the San Pedro Bay ports.

Proposal

- Issue Program Announcement to solicit clean technology CHE, Locomotives, TRU, and Shore Power projects
- Applications will be evaluated as received and eligible projects will be selected for funding
- For Eligible Equipment, funding for up to 50% to 85% of project costs (some equipment subject to funding caps)

Eligible Equipment	
Rubber-Tired Gantry Cranes	Lifts
Yard Trucks	TRUs
Forklifts	Locomotives

Proposal Continued

- Funding available for supporting infrastructure:
  - For locomotives partial funding up to $250,000 for the purchase of electric charging or hydrogen fueling units
  - For zero-emission yard trucks and TRUs: Up to 50% of eligible costs (certain options subject to funding caps)
  - Shore Power
    - Grid-Based Power: Up to 60% of eligible costs (certain options subject to funding caps)
    - Non-Grid-Based Power : Up to $200,000 per megawatt of the eligible costs

Schedule

Item	Date
Issue PA2027-02	September 4, 2026
Open Online Application Portal	September 8, 2026
Deadline to Submit Application	November 20, 2026

Summary of Recommended Actions

- Issue, and if necessary, reissue Program Announcement #2027-02 to solicit goods movement Locomotive, CHE, TRU, and Shore Power projects
- Authorize Executive Officer to execute contracts for eligible projects to obligate all remaining Prop 1B funds and funds from the At-Berth Regulation Remediation Special Revenue Fund

BOARD MEETING DATE: September 4, 2026 AGENDA NO.

PROPOSAL: Recognize Revenue, Execute Contracts for Battery Electric Class 8 Trucks and Charging Infrastructure to Implement INVEST CLEAN and Transfer Funds for ELECTRIC

SYNOPSIS: In September 2024, the Board recognized an award of $499,997,415 from the U.S. EPA CPRG program titled INVEST CLEAN. Additionally, in January 2025, the Board recognized an award of $33,898,522 from the U.S. EPA Clean Heavy-Duty Vehicles Grant program titled ELECTRIC. For INVEST CLEAN, the Ports of Los Angeles and Long Beach committed to contributing $10,000,000 in Clean Truck Fund Rate dollars collected by the ports to support the implementation of a Battery Electric Freight Vehicle Deployment Incentive Program and a Charging Infrastructure Deployment Incentive Program. For ELECTRIC, South Coast AQMD proposed providing a cost share of up to $3,096,720. These actions are to: 1) execute MOUs with the Cities of Los Angeles and Long Beach acting by and through their respective Boards of Harbor Commissioners to implement INVEST CLEAN; 2) recognize revenue up to $10,000,000 into the U.S. EPA CPRG Special Revenue Fund (90), upon receipt from the Ports of Los Angeles and Long Beach; 3) execute contracts under INVEST CLEAN in an amount not to exceed $54,246,495 from the U.S. EPA CPRG Special Revenue Fund (90) with a backup project list in the event of project fall through; and 4) transfer up to $3,096,720 from Clean Fuels Program Fund (31) to Advanced Technology, Outreach and Education Fund (17) for South Coast AQMD cost-share to implement ELECTRIC.

COMMITTEE: Technology; August 21, 2026; Recommended for Approval

RECOMMENDED ACTIONS:
Authorize the Executive Officer to:
1. Execute MOUs with the Cities of Los Angeles and Long Beach, acting by and through their respective Boards of Harbor Commissioners to implement INVEST CLEAN;
2. Recognize revenue consisting of up to $5,000,000 from each port, into U.S. EPA

CPRG Special Revenue Fund (90), upon receipt, from the Ports of Los Angeles and Long Beach, up to $10,000,000;

3. Execute contracts under INVEST CLEAN in an amount not to exceed $54,246,495 from the U.S. EPA CPRG Special Revenue Fund (90) as follows:
   A. Up to $26,264,148 for Heavy-Duty Charging Infrastructure Deployment Incentive Program as listed in Table 1; and
   B. Up to $27,982,347 for Battery Electric Freight Vehicle Deployment Incentive Program as listed in Table 2; and
   C. Up to $23,187,156 for Battery Electric Freight Vehicle Deployment Incentive Program backup list as listed in Table 3, in the event that projects in Table 2 fall through; and
4. Transfer up to $3,096,720 from Clean Fuels Program Fund (31) to Advanced Technology, Outreach and Education Fund (17) for South Coast AQMD cost-share to implement ELECTRIC

Wayne Nastri
Executive Officer

AK:MW:TL:FX:DC

Background

The Inflation Reduction Act (Public Law 117-169) created the U.S. EPA CPRG program to provide $4.6 billion in grants to states, local governments, tribes, and territories to develop action plans and to implement projects to reduce CO2e emissions, criteria pollutants, and hazardous air pollution. In July 2024, U.S. EPA awarded South Coast AQMD the full proposal request of $499,997,415 for INVEST CLEAN, the largest CPRG award among the 25 projects funded nationwide. The Project includes four measures, which are:

(1) Heavy-Duty Charging Infrastructure Deployment Incentive Program: install electrical charging equipment for heavy-duty trucks
(2) Battery Electric Freight Vehicle Deployment Incentive Program: replacement of Class 8 trucks with battery electric trucks;
(3) Battery Electric Cargo Handling Equipment Deployment Incentive Program: replacement of yard tractors and top handlers with battery electric units; and
(4) Battery Electric Locomotive Pilot Program: replacement of switcher locomotives with battery electric switchers and the installation of supporting infrastructure

As part of South Coast AQMD CPRG application, the Ports of Los Angeles and Long Beach jointly issued a letter of support committing to collectively contribute $10,000,000, consisting of $5,000,000 from each port in Clean Truck Fund Rate dollars, to support South Coast AQMD INVEST CLEAN program measures for the deployment of Class 8 battery-electric goods movement trucks and heavy-duty truck charging infrastructure.

In August 2025, Program Announcements (PAs) for Charging Infrastructure, Battery Electric Freight Trucks, and Cargo Handling Equipment were released and subsequently closed in December 2025 for Electric Freight Trucks and Cargo Handling Equipment and January 2026 for Charging Infrastructure. The three PAs generated approximately $315 million in grant applications. All the applications received have been evaluated in accordance with the PAs. The projects were selected based on their ability to meet eligibility requirements, emission reduction goals, and balanced geographic distribution to the two Metropolitan Statistical Areas (MSAs).

Additionally, in January of 2025, South Coast AQMD recognized an EPA Clean Heavy-Duty Vehicle (CHDV) award of up to $33,898,522 for the ELECTRIC program to replace diesel or gasoline-powered Class 6 and 7 freight delivery vehicles with zero-emission vehicles. To help participating fleets lower their purchasing costs, South Coast AQMD has committed up to $3,096,720 in cost-share funding for ELECTRIC.

Proposal

Ports' Commitment for Zero Emission Trucks and Infrastructure

The Ports of Los Angeles and Long Beach committed to collectively contribute $10,000,000, consisting of $5,000,000 from each port, to INVEST CLEAN for new zero-emission Class 8 trucks and charging infrastructure. The action is required to recognize revenue and execute Memorandums of Understanding with the City of Los Angeles and the City of Long Beach, acting by and through their respective Board of Harbor Commissioners.

Staff also proposes to award up to $54,246,495 from the U.S. EPA CPRG Special Revenue Fund (90) as follows:

Heavy-Duty Freight Vehicle Charging Infrastructure Deployment Awards (Table 1):

Staff recommends awarding the projects listed in Table 1, for up to $26,264,148, from the U.S. EPA CPRG Special Revenue Fund (90). The projects listed in Table 1 were selected based on project readiness, compliance status with federal, state, and local laws, location meeting goods movement charging needs, projected utilization, public accessibility, and reasonableness of cost. The solicitation is undersubscribed; therefore, all the eligible charging infrastructure projects will be recommended for award. However, some applications are still being evaluated or completed, therefore, additional applications may be awarded at a later date.

Battery Electric Freight Vehicle Deployment Awards (Table 2):
Staff recommends awarding the projects listed in Table 2, for up to $27,982,347, from the U.S. EPA CPRG Special Revenue Fund (90). The projects listed in Table 2 are distributed based on the applications received for target areas most heavily impacted by goods movement, while ensuring geographic distribution to balance funding across the two MSAs.

Battery Electric Freight Vehicle Deployment Backup List (Table 3):
Staff recommends that the projects listed in Table 3 be backup projects in the event project(s) fall through or cannot be implemented. The backup list includes projects totaling up to $23,187,156.

CHDV ELECTRIC
Staff recommends the transfer of $3,096,720 from Clean Fuels Program Funds to Advanced Technology, Outreach and Education Fund (17) to cost-share the truck replacement under the ELECTRIC grant.

Geographic Distribution
Based on the recommended awards from this and the prior round of awards, there is a geographic distribution of 51 percent and 49 percent of awarded funds in the Los Angeles-Long Beach-Anaheim and Riverside-San Bernardino-Ontario MSA territories, respectively.

Benefits to South Coast AQMD
The projects identified in this Board letter will achieve emission reductions beyond existing rules and regulations and will occur throughout their lifetimes, yielding long-term emission reductions and public health benefits. The International Agency for Research on Cancer (IARC), classifies diesel engine exhaust and diesel particulate matter as a Group 1 carcinogen. Recommended awards are estimated to result in annual emission reductions of 19 tons/year of NOx, 0.2 tons/year of PM2.5, and 0.2 tons/year of diesel particulate matter. These reductions will contribute to the South Coast Air Quality Management District's efforts to meet the ozone and PM2.5 National Ambient Air Quality Standards (NAAQS) set forth by the Clean Air Act.

Resource Impacts
Funding for these eligible projects will not exceed $54,246,495 from the U.S. EPA CPRG Special Revenue Fund (90).

PA	Total Funds Awarded
Heavy-Duty Freight Vehicle Charging Infrastructure Deployment Awards (Measure 1)	$26,264,148
Battery Electric Freight Vehicle Deployment Awards (Measure 2.1)	$27,982,347
Total	**$54,246,495**

Attachments
Table 1: Heavy-Duty Freight Vehicle Charging Infrastructure Deployment Awards
Table 2: Battery Electric Freight Vehicle Deployment Awards
Table 3: Battery Electric Freight Vehicle Deployment Awards Backup List

Table 1 - Heavy-Duty Charging Infrastructure Deployment Awards (Measure 1)*

Company Name	Award Amount**	MSA
All American Asphalt	$350,000	Riverside-San Bernardino-Ontario, CA
BNSF Railway Company	$1,400,000	Los Angeles-Long Beach-Anaheim, CA
BNSF Railway Company	$1,680,000	Riverside-San Bernardino-Ontario, CA
Greenlane Infrastructure, LLC	$1,680,000	Riverside-San Bernardino-Ontario, CA
Pactrack Logistics, Inc.	$4,200,000	Los Angeles-Long Beach-Anaheim, CA
San Bernardino County	$504,000	Riverside-San Bernardino-Ontario, CA
San Fernando Valley Pallet Company, Inc.	$840,000	Los Angeles-Long Beach-Anaheim, CA
Tesla, Inc.	$3,010,148	Los Angeles-Long Beach-Anaheim, CA
TCI Transportation Services	$2,520,000	Riverside-San Bernardino-Ontario, CA
TCI Transportation Services	$1,680,000	Los Angeles-Long Beach-Anaheim, CA
Westcoast Trucking, Inc.	$3,360,000	Los Angeles-Long Beach-Anaheim, CA
Zeem Solutions Long Beach Depot LLC	$5,040,000	Los Angeles-Long Beach-Anaheim, CA
Total	$26,264,148	

*Awards are contingent upon the applicant meeting all EPA requirements (i.e. Davis Bacon and Related Acts, environmental statutes, Build America Buy America) prior to invoicing

**Award amount may not exceed the value listed and eligible costs determined during invoicing

Table 2 - Battery Electric Freight Vehicle Deployment Awards (Measure 2.1)*

Company Name	Award Amount**	MSA
Alto Xpress, Inc.	$1,095,201	Riverside-San Bernardino-Ontario, CA
Big F Transport, LLC	$2,920,536	Los Angeles-Long Beach-Anaheim, CA
Dependable Highway Express, Inc.	$5,423,816	Los Angeles-Long Beach-Anaheim, CA
FedEx Freight, Inc.	$2,800,000	Los Angeles-Long Beach-Anaheim, CA
Harbor Team Logistics, Inc.	$705,988	Los Angeles-Long Beach-Anaheim, CA
Hunter Logistics Los Angeles, Inc.	$1,825,335	Los Angeles-Long Beach-Anaheim, CA
Keystone Freight Corp	$1,600,000	Los Angeles-Long Beach-Anaheim, CA
KRD Logistics, Inc.	$361,819	Los Angeles-Long Beach-Anaheim, CA
MLI Leasing, LLC	$730,136	Los Angeles-Long Beach-Anaheim, CA
Overseas Freight, Inc.	$4,706,676	Los Angeles-Long Beach-Anaheim, CA
RE:Circle Ontario, LLC	$2,000,000	Riverside-San Bernardino-Ontario, CA
San Fernando Valley Pallet Company, Inc.	$800,000	Los Angeles-Long Beach-Anaheim, CA
Transportation Commodities, Inc.	$3,012,840	Riverside-San Bernardino-Ontario, CA
Total	$27,982,347	

*Some awards are pending application supplemental information

**Award amount may not exceed the value listed and eligible costs determined during invoicing

Table 3 – Battery Electric Freight Vehicle Deployment Awards Backup List *

Measure	Company Name	Award Amount**	MSA
2.1	Big F Transport, LLC	$2,555,469	Los Angeles-Long Beach-Anaheim, CA
2.1	Dependable Highway Express, Inc.	$8,933,344	Los Angeles-Long Beach-Anaheim, CA
2.1	Fedex Freight, Inc	$1,200,000	Los Angeles-Long Beach-Anaheim, CA
2.1	KRD Logistics, Inc.	$1,809,095	Los Angeles-Long Beach-Anaheim, CA
2.1	Overseas Freight, Inc.	$8,689,248	Los Angeles-Long Beach-Anaheim, CA
	Total	$23,187,156	

*Some applications are pending supplemental information submittal. Awards are conditional upon the applications meeting all program and EPA requirements (i.e. Davis Bacon and Related Acts, environmental statutes, Build America Buy America) prior to invoicing

**Award amount may not exceed the value listed and eligible costs determined during invoicing

Back to Agenda

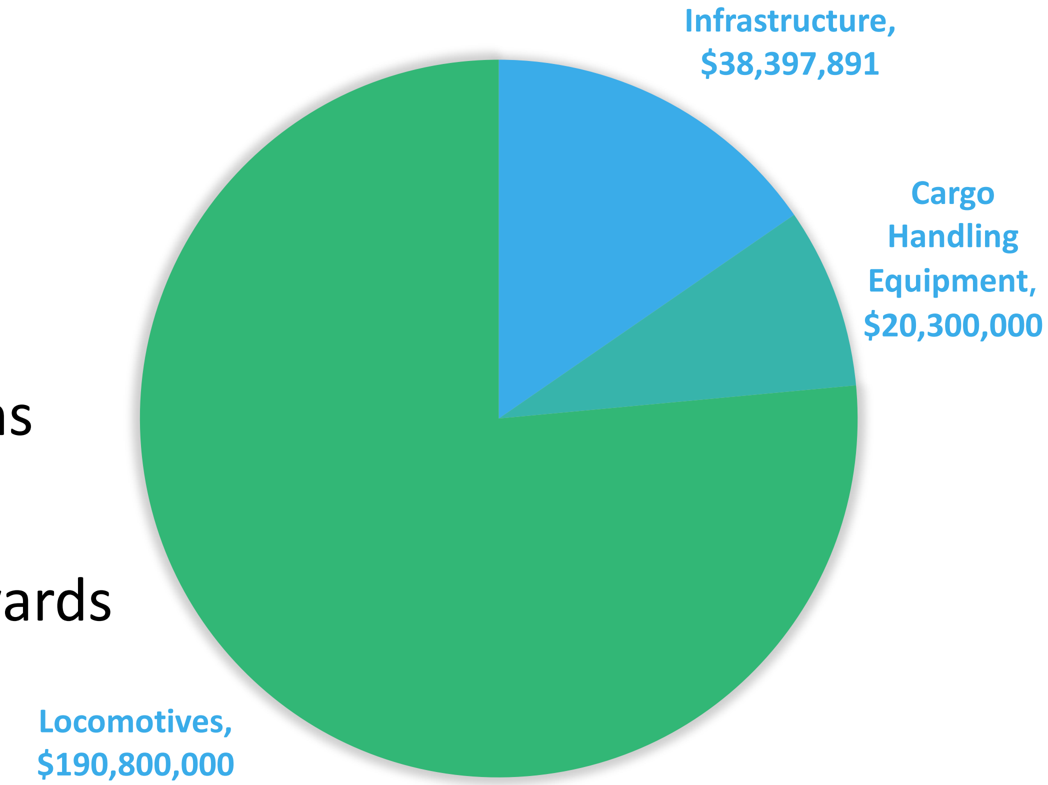
Recognize Revenue, Execute Contracts for Battery Electric Class 8 Trucks and Charging Infrastructure to Implement INVEST CLEAN and Transfer Funds for ELECTRIC

David Chen

Background

- In October 2024, U.S. EPA awarded South Coast AQMD approximately $500 Million for INVEST CLEAN under Inflation Reduction Act
- RFP and Program Announcements for all 4 Measures released in 2025
- Projects evaluations prioritized completed applications
- Board approved some Charging Infrastructure, Cargo Handling Equipment, Switcher Locomotive project awards in June 2026
- Additional awards for eligible projects is needed
- Ports of Los Angeles and Long Beach committed to provide cost share

FUNDS AWARDED IN JUNE OF 2026



Charging Infrastructure and Battery Electric Freight Vehicle

- Recommended Awards
  - $26,264,148 – Installing chargers at 12 sites
  - $27,982,347 – 77 Class 8 Battery Electric Freight Vehicle
  - $23,187,156 – Battery Electric Freight Vehicle backup list
- Estimated Annual Emission Reduction
  - 19 tons/year of NOx, 0.2 tons/year of PM2.5, and 0.2 tons/year of Diesel Particulate Matter
  - Realized Emission Reductions will be tracked and calculated by Data Collection subawardee, UCI

INVEST CLEAN POLA and POLB MOU

- Ports of Los Angeles(POLA) and Long Beach(POLB) committed $5,000,000 from each port in Clean Truck Fund Rate dollars to support Class 8 Battery-Electric Trucks and Charging Infrastructure projects

- Execute MOUs with POLA and POLB and recognize revenue, upon receipt, up to $10,000,000, into U.S. EPA CPRG Special Revenue Fund (90)

CHDV ELECTRIC Program

- Background
  - U.S. EPA awarded South Coast AQMD approximately $33 Million for Clean Heavy Duty Vehicle ELECTRIC Program
  - Replacing older Class 6/7 Vehicles with Battery Electric Vehicles
  - South Coast AQMD provided an 8 percent cost share in the proposal to boost its competitive grant score
- Proposal
  - Allocate up to $3,096,720 from Clean Fuels Program Fund (31) for South Coast AQMD cost share to implement ELECTRIC

Summary of Recommended Actions

- Authorize the Executive Officer to:
  - Execute MOUs and recognize revenue, upon receipt, from the POLA and POLB, up to $10,000,000, consisting of up to $5,000,000 from each port into Fund 90; and
  - Execute contracts to implement INVEST CLEAN in an amount not to exceed $54,246,495 as follows:
    - Up to $26,264,148 for charging infrastructure deployment; and
    - Up to $27,982,347 for class 8 Battery Electric Freight Vehicle ; and
    - Up to $23,187,156 for Battery Electric Freight Vehicle Deployment Incentive Program backup list; and
  - Transfer up to $3,096,720 from Fund 31 to Fund 17 for South Coast AQMD cost share to implement ELECTRIC

BOARD MEETING DATE: September 4, 2026 AGENDA NO.

PROPOSAL: Execute Contract to Deploy Class 8 Hydrogen Fuel Cell Drayage Trucks

SYNOPSIS: In June 2023, the Board recognized a $5 million U.S. EPA FY22 Targeted Airshed Grant award and approved $800,000 as the cost share from the Clean Fuels Program Fund (31) to partner with Daimler Truck North America, LLC (DTNA) to deploy and demonstrate six Class 8 hydrogen fuel cell trucks. DTNA has since withdrawn from the project. Subsequently, South Coast AQMD staff received a proposal from Symbio North America (Symbio) to develop and deploy fifteen hydrogen fuel cell drayage trucks with Savage Services Corporation (Savage). Under the proposed project, Symbio will develop the trucks, and Savage will operate them as part of its refinery transport operations in the San Pedro Ports area. Contingent upon U.S. EPA's final award approval, staff recommends the following actions: 1) transfer up to $400,000 from the Clean Fuels Program Fund (31) to the Advanced Technology, Outreach and Education Fund (17) to increase the cost-share for the additional trucks; and 2) execute a contract with Symbio for $6,000,000 from the Advanced Technology, Outreach and Education Fund (17) for the deployment of fifteen hydrogen fuel cell drayage trucks.

COMMITTEE: Technology; August 21, 2026; Recommended for Approval

RECOMMENDED ACTIONS:
Contingent upon U.S. EPA's final award approval:

1. Transfer up to $400,000 from the Clean Fuels Program Fund (31) to the Advanced Technology, Outreach and Education Fund (17) as additional cost-share for the heavy-duty fuel cell truck deployment project; and
2. Authorize the Executive Officer to execute a contract with Symbio North America for $6,000,000, consisting of $4,800,000 of EPA TAG funds and $1,200,000 of Clean Fuels Fund from the Advanced Technology, Outreach and Education Fund (17) for the deployment of fifteen hydrogen fuel cell drayage trucks.

Wayne Nastri
Executive Officer

AK:MW:SC:VP:MH

Background

In 2022, the U.S. EPA awarded South Coast AQMD $5 million under the Targeted Airshed Grant Program to demonstrate heavy-duty hydrogen fuel cell electric trucks in the South Coast Air Basin. The original proposed project was to deploy six Class 8 trucks through a partnership with Daimler Trucks North America, Cummins, and Penske Truck Leasing. However, after the award was made, the original project was withdrawn. South Coast AQMD subsequently worked with U.S. EPA to develop a revised work plan that maintains the program objectives while replacing the original project partners and vehicle platform with a commercially viable alternative.

Symbio North America (Symbio) has developed a lightweight hydrogen fuel cell electric powertrain by repowering Mack Anthem 4×2 Class 8 truck chassis for Savage Services Corporation (Savage) drayage applications. The truck uses a dual 150-kW Symbio fuel cell stack, an approximately 160-kWh battery, and onboard hydrogen storage to provide an estimated 300-mile operating range while maintaining a curb weight of less than 17,000 pounds, substantially lighter than other fuel cell and battery electric trucks. The reduced vehicle weight enables payload capacity comparable to conventional diesel trucks while providing zero tailpipe emissions and fast hydrogen refueling, meeting Savage’s high vehicle utilization needs for its demanding goods movement operations at the ports.

Proposal

Symbio proposes to develop and deploy 15 Class 8 hydrogen fuel cell electric trucks through a partnership with Savage. Under the proposed project, Savage will purchase Mack Anthem Class 8 chassis, which Symbio will repower with hydrogen fuel cell electric powertrains. The project will leverage $4.8 million from U.S. EPA funding to expand deployment of commercially viable hydrogen fuel cell technology, collect operational and performance data, support workforce training, and accelerate commercialization of zero-emission heavy-duty trucks.

Savage will operate the repowered hydrogen fuel cell trucks on a 24-hour, seven-day-per-week schedule, transporting petroleum coke between Southern California refineries and the Ports of Los Angeles and Long Beach. The project will demonstrate the performance, reliability, and commercial viability of hydrogen fuel cell technology under real-world, high-demand freight operations while generating operational data to support broader market adoption of zero-emission heavy-duty trucks.

Sole Source Justification

Section VIII.B.3 of the Procurement Policy and Procedure identifies four major provisions under which contracts funded as a whole or in part with federal funds may be made as a sole source award. The request for sole source award for the Symbio contract is made under provision B.3.c, which states that awarding a contract is infeasible under small purchase procedures, sealed bids or competitive proposals and that the awarding federal agency or pass-through entity expressly authorizes non-competitive proposals in response to a written request from the non-Federal entity. The nature of these projects makes them infeasible under small purchase procedures, sealed bids or competitive proposals. The project is specifically designed for Class 8 hydrogen fuel cell trucks, for which commercially available providers are very limited, and following extensive outreach, staff identified Symbio as the most viable provider. Hyundai, the only other commercially available Class 8 fuel cell truck OEM identified, is already participating in a separate U.S. EPA project with South Coast AQMD. U.S. EPA has expressly authorized sole-source award to this entity.

Benefits to South Coast AQMD
The South Coast Air Basin is classified as an "extreme" nonattainment area for ozone and is in nonattainment for PM2.5 under the Federal Clean Air Act. Class 8 fuel cell truck deployment is in the Technology Advancement Office Clean Fuel Program 2026 Plan Update under the category of "Hydrogen/Mobile Fuel Cell Technologies." Successful demonstration of this project helps reduce ozone and PM2.5 air pollution, as well as diesel particulate matter, a known carcinogen, while reducing emissions in overburdened communities and along major freight corridors. The fifteen fuel cell trucks will reduce up to 3.1 tons of NOx per year and 0.01 tons of PM2.5 per year, respectively.

Resource Impacts
The contract with Symbio will not exceed $6 million from the Advanced Technology, Outreach and Education Fund (17), which consists of $4.8 million of U.S. EPA funds and $1.2 million of South Coast AQMD cost-share. Up to $200,000 was also allocated through the EPA grant for administrative costs necessary to implement the project. Sufficient funds are available in Clean Fuels Program Fund (31) for our cost share which will be transferred into the Advanced Technology, Outreach and Education Fund (17). The total project cost is $12.75 million, with funding sources as shown below:

Funding Source	Funding Amount	Percent
U.S. EPA FY22 Targeted Airshed Grant	$5,000,000*	39
Savage (cost-share)	$6,182,500	49
Symbio (cost-share)	$367,500	3
South Coast AQMD (cost-share)	$1,200,000	9
Total	**$12,750,000**	**100**

*Pending EPA Final Approval

Sufficient funds are available from the Clean Fuels Program Fund (31), established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

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Agenda #4

Execute Contract to Deploy Class 8 Hydrogen Fuel Cell Drayage Trucks

Sam Cao

Background

- June 2023: The Board recognized a $5 million U.S. EPA FY22 Targeted Air Shed Grant to demonstrate six Class 8 fuel cell electric trucks with Daimler, Cummins, and Penske
- Daimler subsequently withdrew from the project
- Symbio North America (Symbio) submitted an alternative proposal to deploy 15 purpose-built Class 8 fuel cell electric drayage trucks

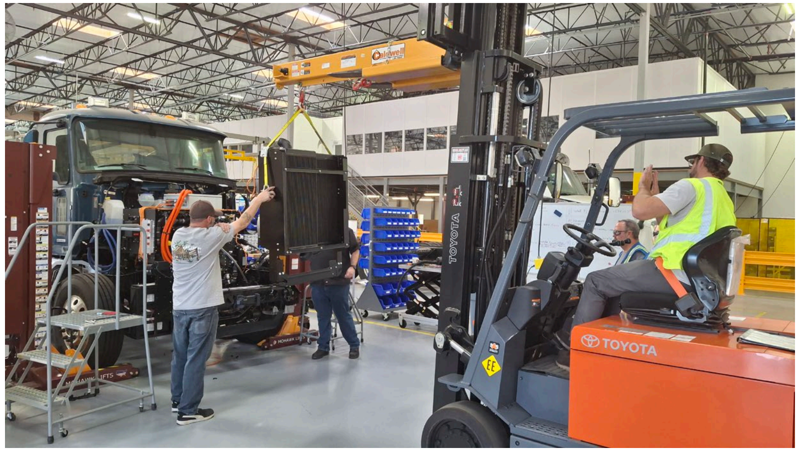
Symbio H2 Drayage Truck

- Savage Services Corporation (Savage) operates a 24/7 petroleum coke hauling operation serving the San Pedro Bay ports
  - Duty-cycle is highly demanding and weight-sensitive
- Symbio developed two Savage prototypes, optimized for petroleum coke hauling
  - 150 kW fuel cell system, 300-mile range, and up to 10,000 lbs lighter compared to other ZE trucks of the same class

Proposal

Symbio and Savage will develop and deploy up to 15 Class 8 hydrogen fuel cell trucks for their operation at San Pedro Bay Ports :

- Two Savage prototypes were built
- Mack Anthem 4x2 trucks will be repowered by Symbio in Temecula
- Refueling will be provided through the Shell Wilmington station and an onsite mobile refueler
- One-year data of operational and performance data will be collected



Resource Impacts

Proposed Funding Source	**Funding Amount**	**Project %**
U.S. EPA FY22 Targeted Airshed Grant	$5,000,000*	39%
Savage	$6,182,500	49%
Symbio	$367,500	3%
South Coast AQMD (requested)	***$1,200,000****	***9%***
Total Project Cost	**$12,750,000**	**100%**

*Includes $200,000 for SCAQMD admin

**Includes the previously committed $800,000 cost-share

Summary of Recommended Actions

Contingent upon U.S. EPA's final award approval:

- Transfer up to $400,000 from the Clean Fuels Program Fund (31) to Fund (17) in addition to the $800,000 cost-share pervious approved; and
- Authorize the Executive Officer to execute a contract with Symbio North America for $6,000,000 from the Advanced Technology, Outreach and Education Fund (17)

BOARD MEETING DATE: September 4, 2026 AGENDA NO.

PROPOSAL: Execute Contract to Study Durable Fuel Cell Membrane Electrode Assemblies for Heavy-Duty Vehicles

SYNOPSIS: The University of California, Irvine (UCI) proposes to develop, integrate, and validate an advanced fuel cell membrane to improve the durability, efficiency, and operational life of fuel cell stacks for heavy-duty truck applications. Fuel cell membranes are critical components that enable the electrochemical conversion of hydrogen to electricity, and improvements in membrane materials can reduce fuel cell costs as well as increase performance. This action is to execute a contract with UCI to develop and study durable fuel cell membrane electrode assemblies for heavy-duty vehicles in an amount not to exceed $125,000 from the Clean Fuels Program Fund (31).

COMMITTEE: Technology, August 21, 2026; Recommended for Approval

RECOMMENDED ACTION:
Authorize the Executive Officer to execute a contract with the University of California, Irvine (UCI) to study durable fuel cell membrane electrode assemblies (MEA) for heavy-duty vehicle applications in an amount not to exceed $125,000 from the Clean Fuels Program Fund (31).

Wayne Nastri
Executive Officer

AK:MW:VP:MH

Background
The membrane electrode assembly (MEA) is the core component of a proton exchange membrane (PEM) fuel cell and plays a critical role in determining fuel cell performance, efficiency, durability, and power output. Consisting of the membrane, catalyst layers, and gas diffusion layers, the MEA is where the electrochemical reaction that converts hydrogen to electricity occurs. Improvements in MEA technology can increase fuel cell efficiency, reduce hydrogen consumption, extend system lifetime, and enable higher power density thus resulting in smaller, and lighter fuel cell systems for transportation applications.

The MEA is also one of the most significant contributors to the fuel cells cost due to its reliance on advanced materials and precious metal catalysts. As a result, MEA cost remains an important factor affecting commercial competitiveness and broader adoption of fuel cell technologies. Continued advancements in fuel cell membrane technology that reduce catalyst loading, improve durability, and lower manufacturing costs can help reduce overall fuel cell system costs, supporting wider deployment of zero-emission fuel cell applications, including light- to heavy-duty vehicles and equipment, as well as stationary power systems. The cost reductions are considered important to advancing hydrogen fuel cell commercialization and supporting regional and state air quality goals.

Proposal
University of California, Irvine (UCI), and the National Fuel Cell Research Center is proposing to develop, integrate, and validate durable MEAs for heavy-duty vehicle applications that exceed the end-of-life targets. The heavy-duty fuel cell trucks are designed to operate much longer than passenger vehicles and at overall higher voltages and temperatures. Under these conditions, catalyst degradation, including carbon corrosion, becomes more pronounced, leading to substantial loss of fuel cell performance. With this development, UCI is aiming to down-select and modify the catalyst carbon support and deposit precious metals or alloys onto carbon supports to improve catalyst durability and recyclability by developing ink recipes, engineering the electrode, integrating the catalyst and carbon supports, and conducting tests to evaluate the activity and durability of the new catalyst.

Sole Source Justification
Section VIII.B.2. of the Procurement Policy and Procedure identifies provisions under which a sole source award may be justified. The request for sole source award is made under provision B.2.d.(8): Research and development efforts with educational institutions or nonprofit organizations. UCI is an educational institution, and the National Fuel Cell Research Center, which belongs to UCI and operates as an official department within the university is equipped with three PEM fuel cell test stations, and two custom-built PEM test stations. In addition, the laboratory has the equipment needed for ink processing. The project team has extensive experience and track record in the field of fuel cells and MEA development, integration and testing.

Benefits to South Coast AQMD
Supporting the expanded application of hydrogen fuel cell technologies for transportation and stationary power generation applications is consistent with the Technology Advancement Office Clean Fuels Program 2026 Plan Update under the category of “Hydrogen / Mobile Fuel Cell Technologies” and the 2022 AQMP.

South Coast AQMD supports studies that expand the use of zero-emission fuel cell technologies in heavy-duty vehicles. Improving the durability, efficiency, and cost of the fuel cell stack can significantly reduce the overall cost of fuel cell trucks and help increase their market demand.

Resource Impacts
South Coast AQMD's support to develop, integrate and validate durable fuel cell MEAs for heavy-duty vehicles, shall not exceed $125,000 from the Clean Fuels Program Fund (31). Project partners and proposed funding are as follows:

Project Partners	Funding	Percentage
Toyota	$100,000	44%
South Coast AQMD (*requested)*	$125,000	56%
Total (not to exceed)	**$225,000**	100%

Sufficient funds are available from the Clean Fuels Program Fund (31) for this proposed project. The Clean Fuels Program Fund (31) is established as a special revenue fund resulting from the state mandated Cleans Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

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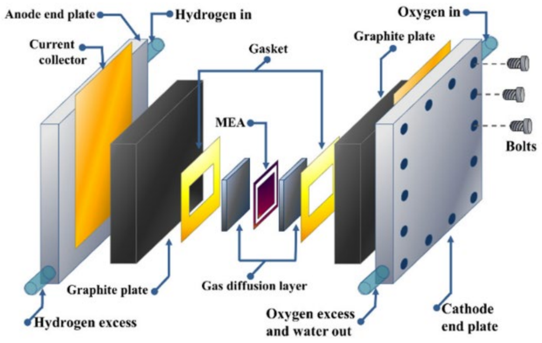
Agenda Item #5

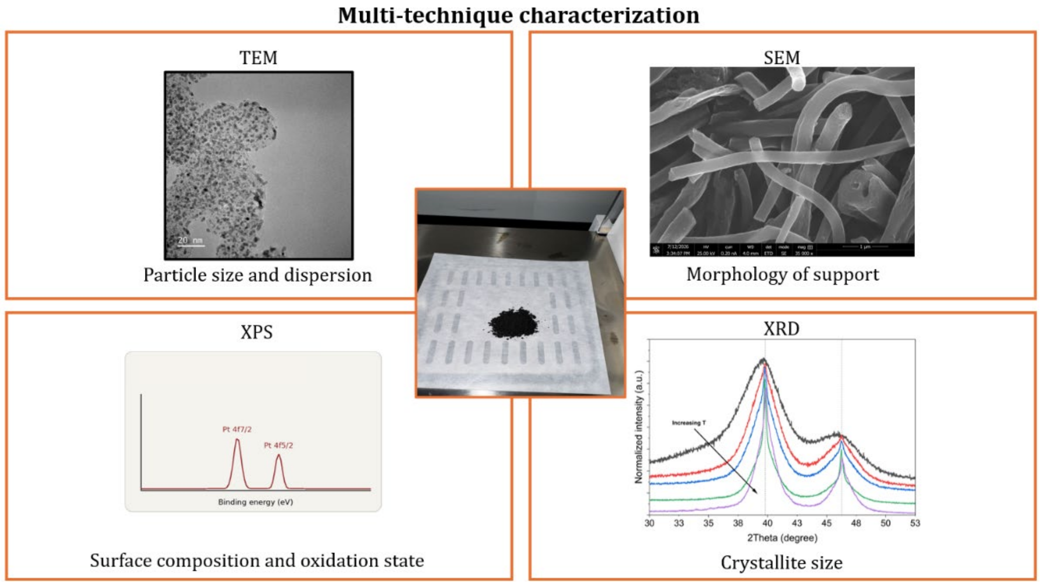
EXECUTE CONTRACT TO STUDY DURABLE FUEL CELL MEMBRANE ELECTRODE ASSEMBLIES FOR HEAVY-DUTY DUTY VEHICLES

MARYAM HAJBABAEI

BACKGROUND

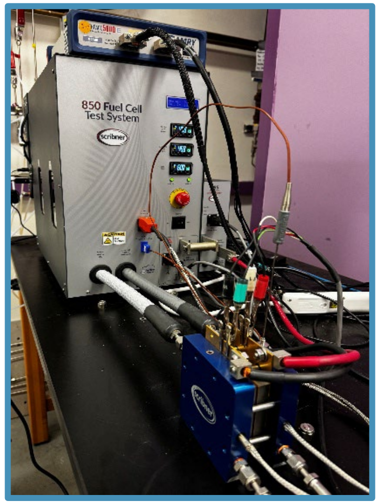
- The membrane electrode assembly (MEA) is a key driver of fuel cell performance, durability, and cost
- Heavy-duty operation accelerates fuel cell degradation and performance loss
- Improving MEA durability and reducing cost are critical to broader commercial adoption and associated air quality goals

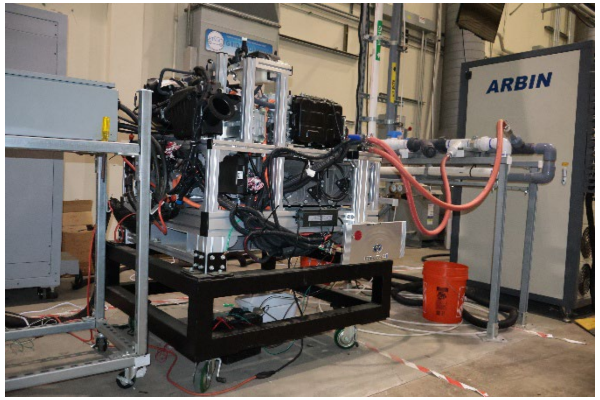




PROPOSAL

- University of California, Irvine (UCI) – National Fuel Cell Research Center (NFCRC) proposes to develop, integrate and validate more durable, cost-effective MEAs for heavy-duty vehicle applications
- NFCRC brings extensive expertise in fuel cell and MEA development, integration, and testing





PROPOSED PROJECT COST

Funding Source	Funding Amount	Percent
Toyota	$100,000	44%
South Coast AQMD *(requested)*	$125,000	56%
Total	$225,000	100%

SUMMARY OF RECOMMENDED ACTION

Authorize the Executive Officer to execute a sole-source contract with the University of California, Irvine (UCI) to study durable MEAs for heavy-duty vehicles in an amount not to exceed $125,000 from the Clean Fuels Program Fund (31)

BOARD MEETING DATE: September 4, 2026 AGENDA NO.

PROPOSAL: Approve Additional Funds for Residential Electric Lawn and Garden Equipment Rebate Program

SYNOPSIS: The Residential Electric Lawn and Garden Equipment Rebate Program provides rebates to residents for the purchase of new battery-electric lawn and garden equipment. Since 2017, the program has helped residents replace gasoline-powered equipment with zero-emission alternatives, resulting in emission reductions throughout the South Coast AQMD jurisdiction. In September 2024, the Board approved the addition of $500,000 and the expansion of the program to include additional equipment categories, including battery-electric leaf blowers, trimmers, chainsaws, and edgers. Continued interest and participation in the program have increased demand for available rebate funding, and program funds are nearly exhausted. Staff recommends allocating up to $500,000 from the Rule 2202 Air Quality Investment Fund (27) to continue the Residential Electric Lawn and Garden Equipment Rebate Program.

COMMITTEE: Technology, August 21, 2026; Recommended for Approval

RECOMMENDED ACTION:
Allocate up to $500,000 from the Rule 2202 Air Quality Investment Fund (27) for the Residential Electric Lawn and Garden Equipment Rebate Program

Wayne Nastri
Executive Officer

AK:MW:TL:AV

Background
Since April 2017, South Coast AQMD has implemented the Residential Electric Lawn and Garden Equipment Rebate Program to encourage the replacement of gasoline-powered lawn and garden equipment with battery-electric alternatives. Residents within the South Coast AQMD jurisdiction may receive a rebate based on the purchase price of a new battery-electric lawn and garden equipment item. To qualify, applicants must replace eligible gasoline-powered equipment with a like-for-like battery-electric replacement and permanently surrender the functional gasoline-powered equipment to an approved dismantler for destruction.

The current rebate structure provides:

- $150 rebate for an equipment purchase price of $250 or less;
- $200 rebate for an equipment purchase price of $251 to $400; and
- $250 rebate for an equipment purchase price of more than $400.

In September 2024, the Board approved expansion of the program to include additional categories of battery-electric lawn and garden equipment, including leaf blowers, trimmers, chainsaws, and edgers. The expanded program provides residents with additional opportunities to replace gasoline-powered equipment with zero-emission alternatives and further reduce emissions from residential lawn and garden equipment use.

South Coast AQMD has provided rebates for almost 7,000 pieces of battery-electric lawn and garden equipment since 2017. The program has contributed to reductions of approximately 3.24 tons per year of Reactive Organic Gases (ROG) and 0.07 tons per year of Nitrogen Oxides (NOx). Following the 2024 program expansion, over 2000 pieces of lawn and garden equipment were replaced representing a 73% increase compared to the period prior to the expansion.

Proposal
Staff recommends allocating an additional $500,000 from the Rule 2202 Air Quality Investment Fund (27) to continue providing rebates to residents throughout the South Coast Air Basin and support ongoing emission reductions from the residential lawn and garden sector.

Benefits to South Coast AQMD
The Residential Electric Lawn and Garden Equipment Rebate Program encourages the replacement of gasoline-powered lawn and garden equipment with zero-emission alternatives. Continued funding will support additional emission reductions, improve air quality, and advance South Coast AQMD's efforts to promote cleaner technologies throughout the South Coast Air Basin.

Resource Impacts
There are sufficient funds available in the Rule 2202 Air Quality Investment Fund (27).

Agenda Item #6

Approve Additional Funds for Residential Lawn and Garden Equipment Rebate Program

Alejandra Vega

Background

Residential Lawn and Garden Equipment Rebate Program

- Year-round rebate program launched April 2017
- Expanded September 2024 to include leaf blowers, trimmers, chainsaws and edgers
- Approximately 7,000 pieces replaced since 2017, including over 2,000 since the 2024 expansion
- Estimated annual emission reductions: 3.24 tons ROG / 0.07 tons Nox
- Current Rebate Amounts:

Purchase Price	Rebate Amount
$250 or less	$150
$251 to $400	$200
More than $400	$250

Proposal

Allocate **$500,000** from Rule 2202 Air Quality Investment Fund (27) to continue the Residential Electric Lawn and Garden Equipment Rebate Program.

Summary of Recommended Action

Approve allocation of up to **$500,000** from the Air Quality Investment Fund (27) Rule 2202 to continue the Residential Electric Lawn Mower Rebate Program