



AB 617 COMMUNITIES PROJECT PLAN FOR HEAVY-DUTY TRUCKS



Assembly Bill (AB) 617

- Focused on reducing exposure in communities most impacted by air pollution.
- Community driven process to develop air monitoring and emissions reduction programs.
- New tools developed by CARB to facilitate the development process for emission reduction programs
- Over \$700 million provided by the Legislature to support AB 617 through incentives directed by local air districts.



Funding Options for CAP Incentives

- Can fund a wide array of projects by default:
 - Carl Moyer and Proposition 1B Programs
 - A variety of different projects in schools
 - Upgrading hexavalent chromium emission controls
- Districts create new stationary source incentives
- Communities and district collaborate to identify needs and develop new projects to address them

For information on community-identified projects that CARB has approved, visit:

<https://ww2.arb.ca.gov/our-work/programs/cap-incentives/stationary-source-and-community-identified-projects>

BACKGROUND

- Assembly Bill (AB) 617



Signed into law July 2017

Requires statewide strategy to reduce toxic air contaminants and criteria pollutants in disadvantaged communities

One aspect of AB 617 is to use incentive funds to reduce pollution in designated communities

BACKGROUND (CONT'D)

■ South Coast AQMD Designated Communities:

Designated in 2018

Wilmington, Carson,
West Long Beach
San Bernardino,
Muscoy
East Los Angeles, Boyle
Heights, West
Commerce

Designated in 2019

Southeast Los Angeles
Eastern Coachella
Valley

Designated in 2020

South Los Angeles

CSC – ALLOCATED INCENTIVE FUNDS FOR TRUCKS

- Cleaner trucks, particularly zero emission trucks, have been identified as an investment priority for the following communities:

| Community | Project Type | Year 3 CAPP Incentives Allocation |
|-----------|---------------|-----------------------------------|
| ELABHWC | ZE Trucks | \$1.84M |
| SELA | ZE Trucks | \$5M |
| SBM | ZE Trucks | \$5M |
| WCWLB | NZE/ZE Trucks | \$2.75M |

- In October 2020, CARB updated the CAPP incentives guidelines to include community-identified projects

FEEDBACK RECEIVED FROM AB 617 COMMUNITIES

From AB 617
CSCs

Existing incentive programs are not working for fleets in AB 617 communities

Higher incentives are needed to increase participation (especially for small fleets)

Customize incentives to meet the needs of the community (e.g., prioritize small businesses)

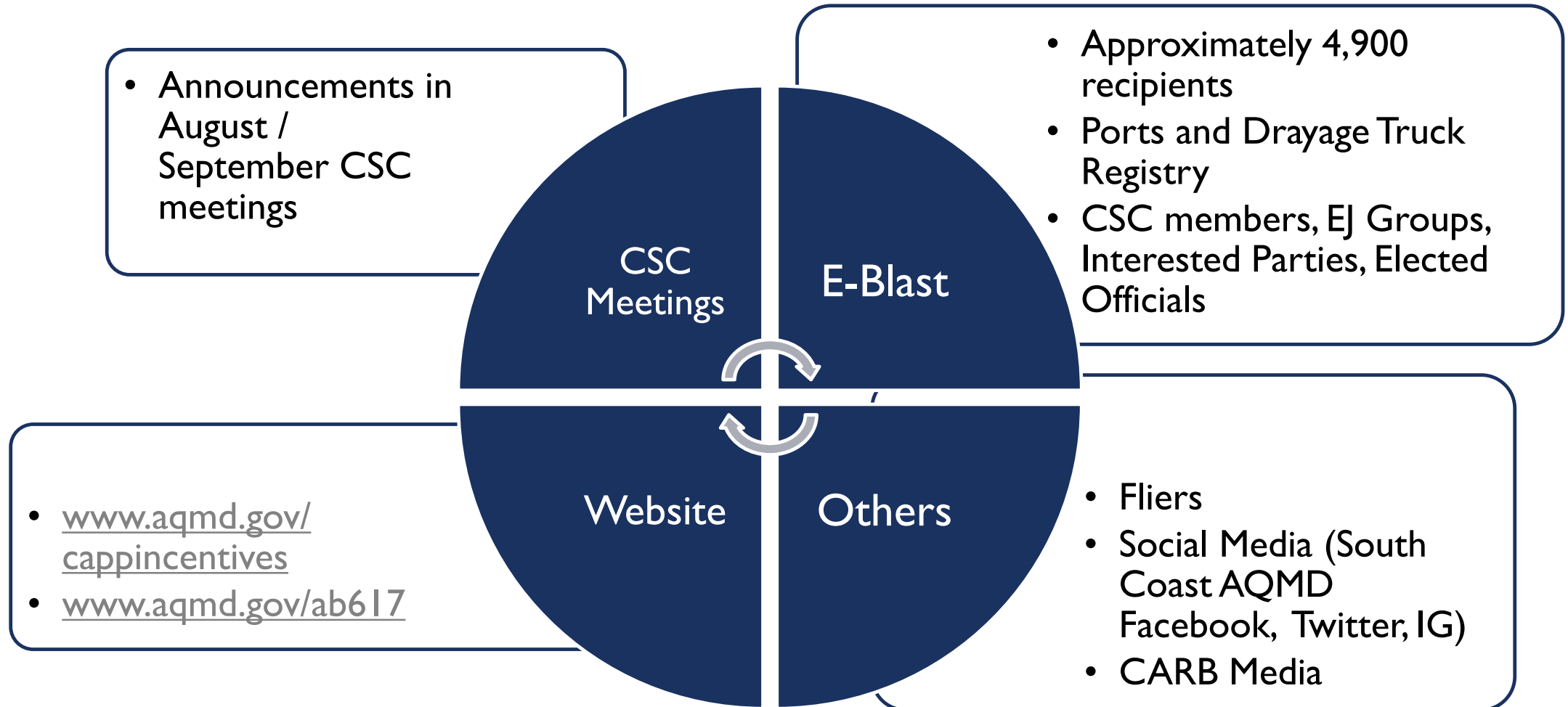
Reduce time involved in getting a grant for a cleaner truck

Prioritize funding for trucks benefitting AB 617 communities

Reduce documentation requirements to participate in the program (streamline application process)

This Truck Project Plan will apply to all communities and future allocations of incentives

OUTREACH



WORKSHOP OBJECTIVES

Primary Goal

- Develop a Project Plan for truck incentives with community input

Today's Goal

- Kickoff meeting to develop an AB 617 Truck Incentives Project Plan

Prioritize funding for zero emission trucks in 617 communities

Identify minimum criteria to increase participation, with focus on small businesses

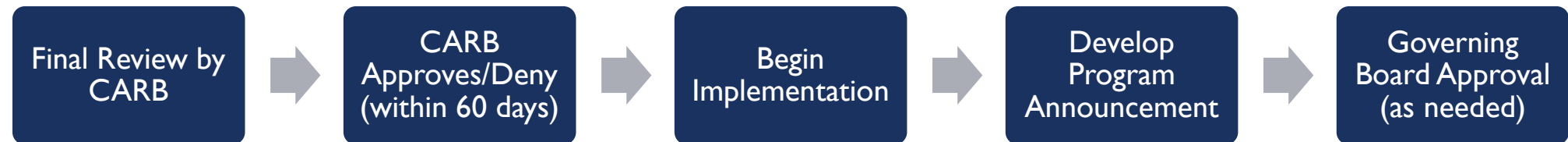
Develop a streamlined process to apply and receive the incentive funds

PROJECT PLAN PROCESS

Workshops:



Administrative Process:



NEXT STEPS

Draft Truck Incentives Project Plan

- Based upon today's feedback, polling results and priorities

Looking forward to the next steps and collaboration in the development of this Community Air Protection Program - Truck Incentives Project Plan!

Next Workshop

- January 26th
- Draft Project Plan to be made available

Final Workshop

- March 30th
- Final Draft Project Plan made available for comments and final input



PROJECT PLAN: REQUIRED ELEMENTS

- **Project-Identification**
- **Community Support**
- **Participant Requirements**
- **Funding Amounts**
- **Project Selection**
- **Reporting**
- **Inspection Requirements**

MULTIPLE FACTORS TO CONSIDER:

Replacement, engine repower, new purchase

Which engine model years will be eligible for replacement

Scrapping – required or delayed

Which weight classes will be included

Funding for infrastructure

Applicant requirements (e.g., public/private fleets, priority for small businesses)

Funding amounts offered for each truck

Emissions reduction targets for this plan

Applicant eligibility (location of trucks)



Class 4
14001-16000 lb



Class 5
16001-19500 lb



Class 6
19501-26000 lb



Class 7
26001-33000 lb



Class 8
33001 lb or heavier

TYPES OF HEAVY-DUTY VEHICLES

AVERAGE TRUCK COST

| Truck Class | Used Diesel (MY 2014) | New Diesel | Natural Gas (Low NOx) | Zero Emission (BEV) |
|---------------------|--------------------------|-------------|---------------------------|------------------------|
| 4 | \$28,500 | \$72,000 | Custom | \$154,900 |
| 5 | \$29,900 | \$77,000 | \$86,000 | \$181,000 |
| 6 | \$59,800 | \$98,000 | \$103,000 | \$213,000 |
| 7 | \$54,400 | \$104,000 | \$130,000 | \$294,000 |
| 8 (Drayage) | \$60,200 | \$150,000 | \$195,000 | \$390,000 |
| 8 (Cement Truck) | \$92,700 | \$262,000 | \$290,000 | Not Available |
| 8 (Trash Truck) | \$87,200 | Must be CNG | \$320,000 | \$577,000 |

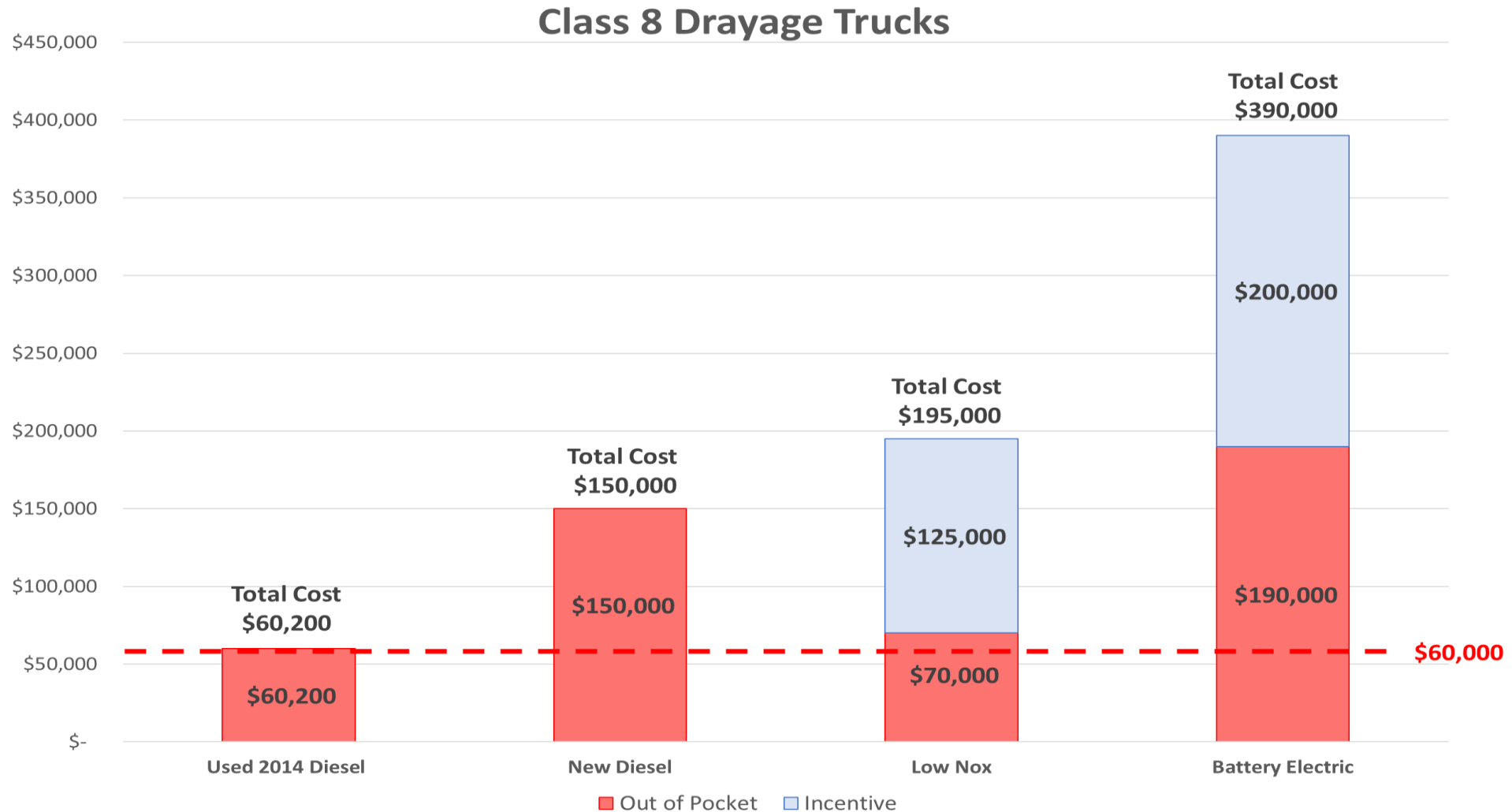
Note: All truck costs include sales tax and FET, which can comprise up to 20% of the total.

CLASS 4 THRU 8 – ZE TRUCKS AVAILABLE*

| Vehicle Category | GVWR | Manufacturer |
|------------------|-----------|--|
| Straight Truck | Class 4 | Alpha, Envirotech, GreenPower, Lightning, Motiv, Phoenix |
| | Class 5 | SEA |
| | Class 6 | BYD, Lightning, Lion, Rousch |
| | Class 6/7 | Freightliner, Hexagon, Navistar, Peterbilt, SEA |
| | Class 7 | Kenworth, Volvo |
| | Class 8 | Lion, SEA |
| Tractor | Class 8 | BYD, Freightliner, Kenworth, Lion, Peterbilt, Volvo |

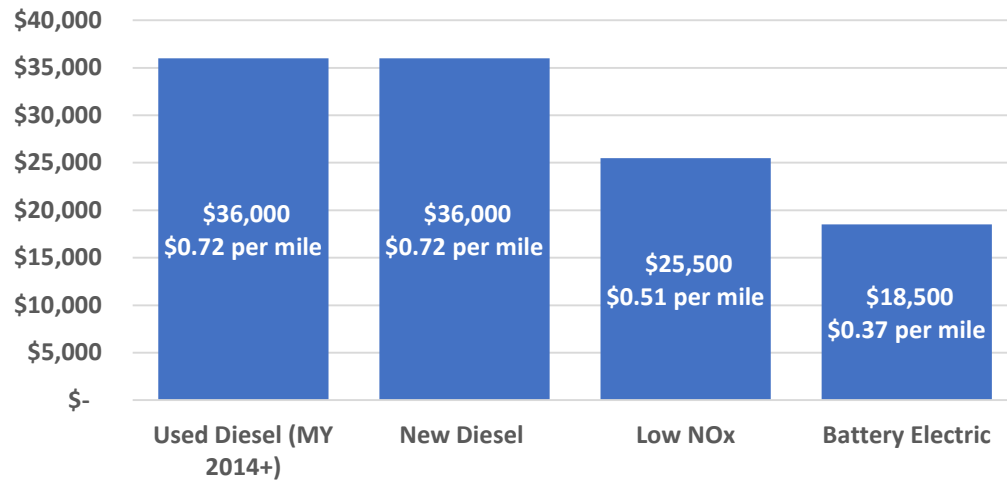
* California's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)

CLEAN TRUCK COST COMPARISON (CURRENT INCENTIVES)

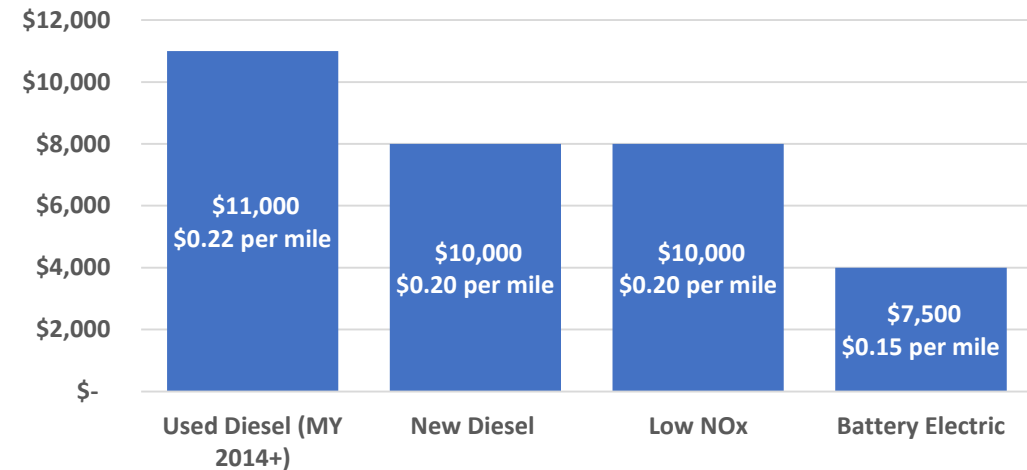


OPERATING COST COMPARISON

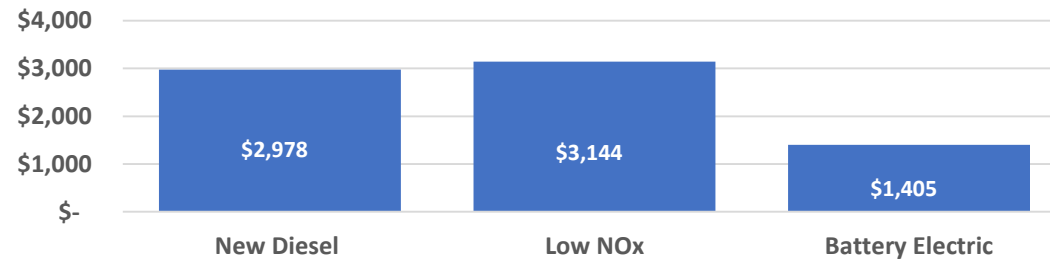
Fuel Cost per 50k miles



Maintenance Cost per 50k miles



DMV Registration - Annual Average over 12 years



BATTERY ELECTRIC TRUCKS



- Zero emissions (at tailpipe)
- Lower maintenance costs
- Less vibrations / more comfortable
- Limited range/Not feasible for all duty cycles
- Long charging times
- Many models still in pre-production phase
- Requires charging infrastructure (which is currently very limited)
- High purchase cost - affordability a significant barrier to large-scale adoption

BARRIERS TO EXISTING INCENTIVE PROGRAMS

Scrap requirement

Incentive amount too low

Ownership for past 2 years

Engine model year limit (pre-2010 only)

DMV registration for past 2 years with no gaps

No trade-down option with another fleet

Usage records for past 2 years

Administrative (Contracts)

USEFUL LINKS/CONTACT INFO

Community Air Protection
Incentives 2019 Guidelines: (see
Chapter 6 for Community-
Identified Projects)

[ww2.arb.ca.gov/our-
work/programs/community-air-
protection-incentives](http://ww2.arb.ca.gov/our-work/programs/community-air-protection-incentives)

Link to CARB-approved Project
Plans:

[ww2.arb.ca.gov/our-
work/programs/community-air-
protection-incentives/stationary-
source-and-community-identified](http://ww2.arb.ca.gov/our-work/programs/community-air-protection-incentives/stationary-source-and-community-identified)

South Coast AQMD website for
Community Air Protection
Incentives:

www.aqmd.gov/cappincentives

For questions/comments please email us at:

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