



Grant Funding for Upgrading Older Heavy-Duty Equipment and Zero-Emissions Infrastructure Installation

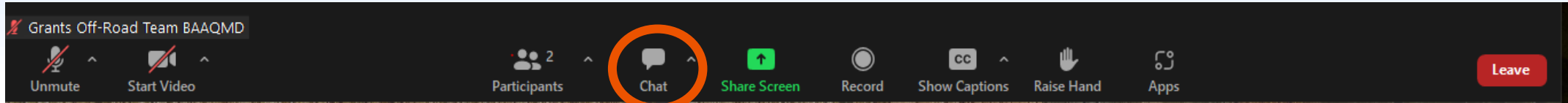
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Webinar Information

This webinar is recorded



- We have muted all the participants audio and turned off video.
- Please send your questions to the “Pls send me your question - Cynthia” host in the chat box. We will answer them at the end of the presentation.
- Presentation slides are available at <https://www.baaqmd.gov/funding-and-incentives/apply-for-funding> and the recording will be posted there as well.
- Email grants@baaqmd.gov for a copy of the slides and recording, if needed.



Agenda

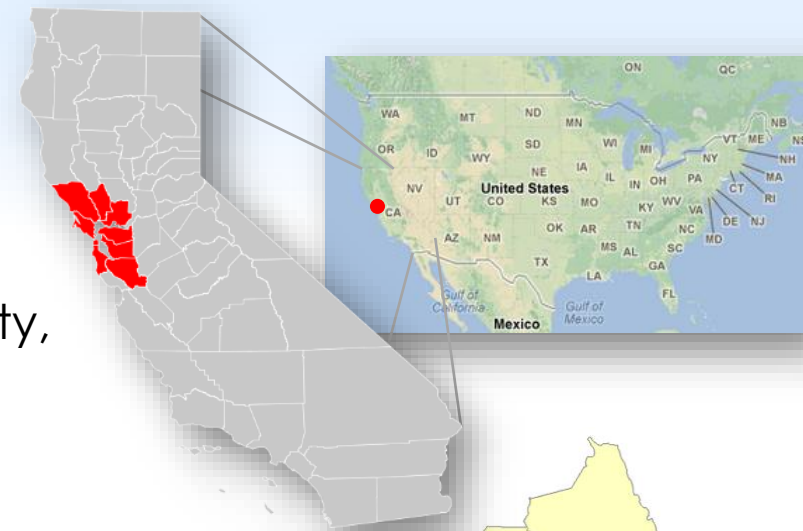
- Background on the Air District (BAAQMD)
- Funding Opportunities
- Carl Moyer Program and the Community Air Protection Incentives Program
- Equipment Categories
 - Off-Road/Agriculture
 - On-Road/School Bus
 - Infrastructure
 - Marine/Locomotive
- How to apply for funding
- Questions and answers



BAAQMD Background

The Air District

- Established in 1955
- Serves over seven million residents in the nine Bay Area counties
- Mission: To protect and improve public health, air quality, and the global climate



Strategic Incentives Division

- Target emission reductions from mobile sources
- Fund technologies and projects with the greatest potential to reduce air emissions from criteria pollutants
 - Criteria pollutants (NO_x, PM, and ROG)
 - Toxic air contaminants
 - Greenhouse gases (GHG)
- Help improve air quality in the highly-impacted Bay Area communities (CARE and CAP Areas)





Funding Opportunities

[Carl Moyer Program](#), [Community Air Protection Incentives Program](#), and [Transportation Fund for Clean Air](#) (open now)

- Trucks and buses, school buses, off-road equipment, marine projects, locomotives, and charging/fueling infrastructure for zero-emission projects

[Goods Movement Program](#) (currently closed)

- Funding for near-zero and zero-emission equipment that transport goods along the major trade corridors in California

[The Charge! Program](#) (open now, closes March 3, 2023)

- The *Charge!* Program provides grant funding for new publicly accessible chargers for light-duty electric vehicles.

[California Volkswagen Environmental Mitigation Trust](#) (open now)

- Trucks and buses, school buses, cargo-handling and marine equipment

Other funding opportunities

- [Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project](#) (HVIP)
- [CARB's Clean Off-road Equipment Incentive Project](#) (CORE)
- [California Energy Commission](#) (CEC) grants
- [PG&E grants](#)



Carl Moyer Program and Community Air Protection Incentives Program

More than \$100 million currently available

- Voluntary state-funded programs that aim to achieve emissions reductions from diesel equipment beyond what is required by law
- Funding priority is given to projects operating in the following Priority Areas:
 - West Oakland
 - East Oakland/San Leandro
 - Pittsburg-Bay Point area
 - San Jose
 - Eastern San Francisco
 - Richmond-San Pablo
 - Tri-Valley area
 - Vallejo
- Community input will help inform the Air District's project outreach and project identification processes
- Applications are currently being accepted on a first-come, first served basis until all funding has been allocated
- Focus on the cleanest available technologies and infrastructure
- Can co-fund with CORE, CEC, PG&E, or other eligible grant programs



Project Types

- **Equipment/Vehicle replacements:**
The replacement of older, dirtier equipment/vehicles with newer, cleaner, emission-certified equipment. Older equipment must be scrapped for this project type.
- **Repower of existing equipment (engine repower):**
The replacement of an existing engine with a newer emission-certified engine.
- **Equipment conversions:**
The conversion of existing equipment or vehicles to operate on electric or hybrid power.
- **Retrofit:**
Installation of an emission control device.
- **Infrastructure:**
The installation of alternative fuel and charging infrastructure to support eligible equipment or as a stand-alone project.





Equipment Categories

**On-Road/
School Bus**



**Marine/
Locomotive**



**Off-Road/
Agriculture**



Infrastructure





All Category Information

General Eligibility Criteria:

- All emissions reductions achieved through a funded project must be surplus to any regulatory requirements or legal mandates
- Funded equipment cannot be used for credit under regulatory emission averaging, banking, or trading, through the contract term
- All existing project equipment must be operational.
- Equipment Replacement Projects must be like-for-like
- Project must be cost-effective (emissions reductions achieved per funding amount must be within cost effectiveness limits set by ARB)
- Existing engines/equipment replaced as part of a funded project must be scrapped and destroyed
- Existing equipment must have been owned and operated for at least 2 years
- No binding financial commitment or orders before contract execution



Off-Road Projects

The Off-Road category includes:

- Mobile off-road equipment such as loaders, excavators, scrapers, forklifts, ground support equipment, and other off-road equipment with engines greater than 25 hp.
- Portable engines/equipment such as portable generators, concrete pumps, woodchippers, etc.
- Zero-emission projects are highly encouraged.

Grants up to 80-85*% of eligible costs

*Retrofit projects not limited by maximum funding percentage

www.baaqmd.gov/offroad





Agricultural Projects

The Agricultural category includes:

- Agricultural equipment such as tractors, tractor/loaders, wheel loaders, forklifts, and other mobile agricultural equipment with engines greater than 25 hp.
- Portable and stationary engines/equipment greater than 25hp such as portable generators and water pumps.
- New zero-emission mobile agricultural replacement category

Grants up to 80-85*% of eligible costs

*Retrofit projects not limited by maximum funding percentage

www.baaqmd.gov/agriculture





Off-Road Eligibility

Eligibility Criteria:

- Fleet must be in compliance with, or exempt from, all regulatory compliance requirements
- Project must be completed 1 to 3 years before any applicable baseline equipment compliance deadlines
- Equipment must operate within the Air District's boundaries 75% of the time
- Existing equipment must be 25 hp or greater, existing diesel must have a Tier 0, Tier 1, Tier 2, or Tier 3 engine
- Replace with new or used equipment that meets the cleanest California emission standards (e.g., Tier 4 Final or cleaner) and is not greater than a 25% horsepower increase
- Document ownership and usage history for the previous 24 months



On-Road Projects

The On-Road category includes:

- Heavy-duty trucks and buses
- School buses
- Transit vehicles
- Solid waste vehicles
- Utility trucks
- Emergency vehicles
- Other on-road vehicles

Grants up to 80% of eligible costs for fleets of 10 or less

Grants up to 50% of eligible costs for fleets of 11+

*Emergency vehicle fleets, school buses, and repower projects are not limited by maximum funding percentages.

On-Road: www.baaqmd.gov/onroad





On-Road Eligibility

Eligibility Criteria

- New equipment must be low-NOx or zero emission
- Equipment must have a Gross Vehicle Weight Rating (GVWR) of greater than 14,000 lbs
- Equipment must operate at least 51% of the time in the Bay Area and 75% of the time in California
- Equipment must be registered in California and must have been owned by applicant, registered and insured for the past 24 months
- Applicant must provide documentation of compliance with CARB's Truck and Bus Regulation, Drayage Truck Regulation, or other on-road regulations
- Applicant must submit usage documentation of annual miles traveled in CA for the previous 30 months
- Project must be completed at least one year before any applicable compliance deadline



On-Road: School Bus Projects

Who is eligible?

- Public school districts
- Joint power authorities
- Public charter schools
- County offices of education
- Private transportation providers contracted with public schools

What is eligible?

- Diesel or natural gas buses can be replaced with low-NOx or zero emission buses
- Buses with GVWR \geq 14,001 lbs (\leq 14,000 lbs considered case-by-case)
- Owned and operated for the past 24 months

Grants up to 100% subject to maximum funding amounts

www.baaqmd.gov/schoolbuses





Infrastructure Funding

The Infrastructure category includes:

- Battery charging stations (non-residential)
- Hydrogen fueling stations
- Stationary agricultural pump electrification
- Shore power
- Other infrastructure on a case-by-case basis

Eligible costs include design and engineering, equipment, installation directly related to the construction of the station, meter/data loggers, and on-site power generation systems such as solar and wind power generation equipment.

www.baaqmd.gov/infrastructure



Max funding	Project Type
50%	All Projects
65%	Projects with Solar/Wind
100%	School Bus Projects



Marine/Locomotive Projects

The Marine/Locomotive category includes:

Engine Repower of

- Commercial or institutional marine vessels such as charter fishing boats, commercial fishing boats, pilot boats, work boats, and research boats
- Other Common commercial marine vessels such as barges, crew and supply vessels, dredges, excursion vessels, ferries, tugboats, and towboats
- Class 3, military, industrial, passenger, and class 1 locomotives

Shorepower projects

- Shipside, shoreside, and emission capture system

Grants up to 85% of eligible costs

Marine: www.baaqmd.gov/marine

Locomotive: www.baaqmd.gov/trains





Marine/Locomotive Eligibility

Eligibility Criteria:

- Owned by participant and operated in CA
- Must provide usage records for the past two years
- Marine:
 - Operate at least 70% of the time in the Bay Area Waters
 - Vessels and fleets must currently be in compliance with the CA Commercial Harbor Craft Regulation, with at least three years before the compliance deadline
 - Equipment propulsion or auxiliary engines must be 25 horsepower or greater
- Locomotive:
 - Must operate within the Air District's Jurisdiction Boundaries
 - Limited opportunities for projects subject to a regulation or MOU



Funding Examples

Equipment Type	Baseline Equipment/Engine	New Replacement Equipment/Engine	Annual Usage	Potential Funding	Total Cost	Grant Funding Awards
Agricultural Tractor	2000 diesel Tier 1, 87hp	2021 diesel Tier 4 Final, 73 hp	250 Hours	Up to 80% of eligible project cost	\$73,221	\$58,500
School Bus	1998 diesel 225hp	2020 electric 215hp	6,730 Miles	100% of eligible project cost up to \$400,000	\$270,014	\$270,014
Ferry Vessel	2014 diesel Tier 3 1875 hp	2022 diesel Tier 4, 2,000 hp	1,600 Hours	Up to 85% of eligible project cost	\$1,456,588	\$650,000
Infrastructure (for school bus)	16 level 2 charging stations, 3-phase switchboard, concrete foundation, 48 bollards, and trenching.		NA	Up to 100% of eligible project cost	\$411,000	\$411,000



How to Apply

- Review the relevant BAAQMD Carl Moyer Program equipment category fact sheet and webpage
- Understand all applicable state regulations that may apply to the proposed project equipment
- Determine whether the equipment qualifies for funding
- Start gathering all the information about the equipment and required documents
- Work with an equipment dealership on identifying the replacement equipment, if applicable.

- **Apply online at:**

<https://www.baaqmd.gov/funding-and-incentives/apply-for-funding>

Apply for Funding

UPDATED 1/25/2023

Air District / Funding and Incentives / Apply for Funding



Over \$100 million in funding is available to assist vehicle and equipment owners in reducing emissions in the [Air District's jurisdiction](#) through vehicle and equipment replacement and installation of zero-emissions infrastructure.

How to Apply

Before applying, check the web page specific to your project category to understand eligibility requirements.

After assuring that your project is eligible, fill out and submit an application through our online application portal. For instructions on using the online system, please reference our [user guide](#) (2 Mb PDF, 12 pgs, revised 1/30/2023).

APPLY NOW





Application Submission – Next Steps

After your application is completed and submitted:

- Air District staff will contact you **within five business days** to let you know if anything is missing or if we need additional information
- Once we have the necessary information, we will evaluate your project to determine if it is eligible for grant funding
 - If your project is not eligible for grant funding, you will be notified, and your application will be denied in the online system
 - If your project is eligible for grant funding, you will receive an email once your project is approved for grant funding



Grant Process

Dismantler has 60 days from date of delivery to destroy equipment and have it inspected by an Air District inspector

Applicant submits application

- Applicant applies for grant and receives project approval
- MSCIC/BOD approval needed for < \$500K projects
- Dealer/District inspects old equipment listed on application

Contract execution

- Contract drafted and executed by applicant and Air District
- Dealer orders and takes delivery of new equipment.
- Grantee delivers old equipment to dealer

New equipment released

- Dealer takes delivery of new equipment.
- Dealer/District inspects new equipment and approves it for delivery to Grantee
- Old equipment is sent to be dismantled/scrapped within 60 days

Old equipment destroyed

- Old equipment is destroyed per specifications provided by the District.
- District inspects and approves destroyed equipment

Payment

- The payment documentation is submitted for payment
- Payment issued in 30 days of receiving complete payment documentation



Get Started on Your Application

www.baaqmd.gov/funding-and-incentives/apply-for-funding

Lead	Program	Email Address	Phone Number
Jessica DePrimo	Off-Road & Agriculture	jdeprimo@baaqmd.gov	(650) 761-6068
Kenneth Mak	On-Road & School Bus	kmak@baaqmd.gov	(415) 749-8660
Yu Zhang Liu	Marine Vessels & Locomotive	yliu@baaqmd.gov	(415) 749-8430

For infrastructure questions, please contact the lead for the applicable equipment category.

An aerial photograph showing a vast expanse of white, fluffy clouds stretching across the horizon. The sky above is a clear, light blue. The clouds are dense and appear to be a sea of clouds, with some darker shadows between them, giving a sense of depth and texture.

Questions?