#### State of California AIR RESOURCES BOARD

#### Notice of Public Availability

#### Draft Implementation Guide CLEAN OFF-ROAD EQUIPMENT VOUCHER INCENTIVE PROJECT

Public Availability Date: November 7, 2018 Deadline for Public Comment: November 21, 2018

California Air Resources Board (CARB or Board) staff is developing an Implementation Guide for the Clean Off-Road Equipment (CORE) Voucher Incentive Project, and is seeking input from zero-emission off-road technology manufacturers, fleets, potential project administrators, and other interested stakeholders on the elements described in this <u>published draft</u><sup>1</sup>. Elements for which staff is seeking input include, but are not limited to, participation conditions, eligible equipment, voucher amounts, and process structure. Staff will consider the comments received as it develops an updated version of the Implementation Guide, which will be reflected in the CORE solicitation release, anticipated for late November 2018. CARB staff will work with the selected project administrator to finalize the CORE Implementation Guide, with first vouchers expected to be available in fall 2019.

# **Background**

Assembly Bill 134 (2017) appropriated \$140 million from the Greenhouse Gas Reduction Fund for demonstrating and deploying advanced technology in freight equipment. Of that appropriation, \$40 million was allocated to the CORE project by the Fiscal Year 2017-18 Funding Plan for Clean Transportation Incentives<sup>2</sup>, approved by the Board on December 14, 2017.

The CORE Voucher Incentive Project, analogous to the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), is a new project under development to accelerate commercial deployment of zero-emission off-road freight technologies by providing a streamlined process for potential purchasers to receive funding to offset the higher cost of such technologies. The CORE project targets commercialized zero-emission products that have not yet achieved a significant market foothold. The following types of equipment are currently being considered for the CORE project:

- On- and off-road terminal tractors,
- Transport refrigeration units (truck and trailer mounted),
- Forklifts (greater than 8000 lbs. lift capacity),
- Container handling equipment,

<sup>1</sup> https://ww2.arb.ca.gov/sites/default/files/2018-

<sup>11/</sup>CORE%20IMPLEMENTATION%20GUIDE%20%28DRAFT%29.pdf

<sup>&</sup>lt;sup>2</sup> <u>https://www.arb.ca.gov/msprog/aqip/fundplan/proposed\_1718\_funding\_plan\_final.pdf</u>

- Airport cargo loaders,
- Wide-body aircraft tugs,
- Railcar movers, and
- Rubber-tired gantry cranes.

CORE voucher amounts will be based primarily on the incremental cost of the piece of zero-emission off-road equipment being purchased and whether the equipment will be deployed in a disadvantaged community<sup>3</sup>. In addition, voucher enhancements are being considered for bulk purchases, extended warranties, and charging infrastructure.

# **Implementation Guide**

The Implementation Guide will set forth guidelines and conditions for prospective manufacturers, dealers, and fleets to follow when participating in the CORE project. The Implementation Guide will describe the CORE project elements, including:

- Eligibility criteria for manufacturers,
- Eligible equipment types,
- Conditions of participation,
- Requirements and restrictions, and
- The processes for obtaining and redeeming a CORE voucher.

Staff is releasing this draft Implementation Guide to solicit feedback from interested stakeholders on program elements. Staff will consider comments received as it develops an updated version of the Implementation Guide that will be included in the CORE solicitation release. Staff hopes the input received will help refine program elements ahead of the solicitation release thereby facilitating robust proposals from prospective project administrators.

For comments and questions regarding the CORE project, the solicitation process, or the draft Implementation Guide, please contact Eloy Florez, Air Pollution Specialist, at (626) 350-6525 or <u>eloy.florez@arb.ca.gov</u>.

# **Submitting Comments**

Staff requests comments to be submitted electronically no later than November 21, 2018 to Eloy Florez at <u>eloy.florez@arb.ca.gov</u>.

<sup>&</sup>lt;sup>3</sup> More information on disadvantaged communities is available on Cal/EPA's website; <u>https://calepa.ca.gov/EnvJustice/GHGInvest/</u>.