California Air Resources Board

Quantification Methodology

California Air Resources Board
Low Carbon Transportation Program
On-Road Consumer-Based Incentive Projects

California Climate Investments

Note:
The California Air Resources Board (CARB) is accepting public comments on the Draft LCT On-Road Quantification Methodology and Draft LCT On-Road Benefits Calculator Tool until July 13, 2020 via GGRFProgram@arb.ca.gov. The Draft LCT Quantification Methodology and Draft LCT On-Road Benefits Calculator Tool are subject to change pending stakeholder comments and final LCT Funding Plan for FY 2020-21. The Final LCT On-Road Quantification Methodology and LCT On-Road Benefits Calculator Tool will be available on the CARB quantification website at http://www.arb.ca.gov/cci-resources.

DRAFT
June 29, 2020
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<tr>
<td>BEV</td>
<td>battery electric vehicle</td>
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<tr>
<td>CARB</td>
<td>California Air Resources Board</td>
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<tr>
<td>CC4A</td>
<td>Clean Cars 4 All</td>
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<td>CCIRTS</td>
<td>California Climate Investments Reporting and Tracking System</td>
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<tr>
<td>CI</td>
<td>carbon intensity</td>
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<tr>
<td>CNG</td>
<td>compressed natural gas</td>
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<tr>
<td>CVRP</td>
<td>Clean Vehicle Rebate Project</td>
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<tr>
<td>Diesel PM</td>
<td>diesel particulate matter</td>
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<tr>
<td>DSL</td>
<td>diesel</td>
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<tr>
<td>EER</td>
<td>energy economy ratio</td>
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<tr>
<td>EMFAC</td>
<td>emission factors</td>
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<tr>
<td>ePTO</td>
<td>electric power take off</td>
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<tr>
<td>eVMT</td>
<td>electric vehicle miles traveled</td>
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<tr>
<td>FCV</td>
<td>fuel cell vehicle</td>
</tr>
<tr>
<td>GAS</td>
<td>gasoline</td>
</tr>
<tr>
<td>gCO2e</td>
<td>grams of carbon dioxide equivalent</td>
</tr>
<tr>
<td>GGRF</td>
<td>Greenhouse Gas Reduction Fund</td>
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<tr>
<td>GHG</td>
<td>greenhouse gas</td>
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<tr>
<td>HVIP</td>
<td>Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project</td>
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<tr>
<td>kWh</td>
<td>kilowatt hours</td>
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<tr>
<td>LCFS</td>
<td>Low Carbon Fuel Standard</td>
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<td>LCT</td>
<td>Low Carbon Transportation Program</td>
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<tr>
<td>LHV</td>
<td>lower heating value</td>
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<tr>
<td>LNG</td>
<td>liquefied natural gas</td>
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<tr>
<td>lbs</td>
<td>pounds</td>
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<tr>
<td>mi</td>
<td>miles</td>
</tr>
<tr>
<td>MJ</td>
<td>megajoule</td>
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<tr>
<td>MTCO2e</td>
<td>metric tons of carbon dioxide equivalent</td>
</tr>
<tr>
<td>NOx</td>
<td>nitrous oxide</td>
</tr>
<tr>
<td>PHEV</td>
<td>plug-in hybrid electric vehicle</td>
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<tr>
<td>PM</td>
<td>particulate matter</td>
</tr>
<tr>
<td>PM2.5</td>
<td>particulate matter with a diameter less than 2.5 micrometers</td>
</tr>
<tr>
<td>PM10</td>
<td>particulate matter with a diameter less than 10 micrometers</td>
</tr>
<tr>
<td>RNG</td>
<td>renewable natural gas</td>
</tr>
<tr>
<td>ROG</td>
<td>reactive organic gas</td>
</tr>
<tr>
<td>scf</td>
<td>standard cubic feet</td>
</tr>
<tr>
<td>VMT</td>
<td>vehicle miles traveled</td>
</tr>
<tr>
<td>yr</td>
<td>year</td>
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</table>
## List of Definitions

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Baseline</td>
<td>The vehicle or equipment that is currently owned/in operation that will be replaced by a new purchase, or the vehicle or equipment that would have been purchased otherwise (e.g., 2022 diesel bus).</td>
</tr>
<tr>
<td>Carbon Intensity</td>
<td>The quantity of life cycle greenhouse gas emissions, per unit of fuel energy, expressed in grams of carbon dioxide equivalent per megajoule (gCO2e/MJ) as calculated using CA-GREET 3.0, consistent with California’s Low Carbon Fuel Standard.</td>
</tr>
<tr>
<td>Co-benefit</td>
<td>A social, economic, or environmental benefit as a result of the proposed project in addition to the GHG reduction benefit.</td>
</tr>
<tr>
<td>Energy and Fuel Cost Savings</td>
<td>Changes in energy and fuel costs to the vehicle or equipment operator as a result of the project. Savings may be achieved by changing the quantity of energy or fuel used or conversion to an alternative fuel vehicle or equipment.</td>
</tr>
<tr>
<td>Energy Economy Ratio</td>
<td>The dimensionless value that represents the efficiency of a fuel as used in a powertrain as compared to a reference fuel used in the same powertrain. EERs are often a comparison of miles per gasoline or diesel gallon equivalent between another type of fuel.</td>
</tr>
<tr>
<td>Key Variable</td>
<td>Project characteristics that contribute to a project’s GHG emission reductions and signal an additional benefit (e.g., passenger VMT reductions, renewable energy generated).</td>
</tr>
<tr>
<td>Quantification Period</td>
<td>Number of years that the project will provide GHG emission reductions that can reasonable be achieved and assured. Sometimes referred to as “Project Life” or “Useful Life”.</td>
</tr>
<tr>
<td>Replacement</td>
<td>The new vehicle or equipment that replace a baseline vehicle or equipment.</td>
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Section A. Introduction

California Climate Investments is a statewide initiative that puts billions of Cap-and-Trade dollars to work facilitating GHG emission reductions; strengthening the economy; improving public health and the environment; and providing benefits to residents of disadvantaged communities, low-income communities, and low-income households, collectively referred to as “priority populations”. Where applicable and to the extent feasible, California Climate Investments must maximize economic, environmental, and public health co-benefits to the State.

CARB is responsible for providing guidance on estimating the GHG emission reductions and co-benefits from projects receiving monies from the GGRF. This guidance includes quantification methodologies, co-benefit assessment methodologies, benefits calculator tools, and associated user guides. CARB develops these methodologies and tools based on the project types eligible for funding by each administering agency, as reflected in the program expenditure records available at: www.arb.ca.gov/cci-expenditurerecords.

For the CARB LCT, CARB staff developed this Draft LCT On-Road Quantification Methodology and accompanying Draft LCT On-Road Benefits Calculator Tool to provide guidance for estimating the GHG emission reductions and selected co-benefits of each proposed project. This methodology uses calculations to estimate GHG emission reductions from the purchase or lease of advanced technology vehicles. Specifically, it estimates the emission reductions of the technology conversion from a conventional fuel vehicle (e.g., gasoline, diesel, CNG vehicle) to an alternative fuel vehicle (e.g., plug-in hybrid electric, battery electric, fuel cell electric vehicle).

The Draft LCT On-Road Benefits Calculator Tool automates methods described in this document, outlines documentation requirements, and provides a link to a step-by-step user guide with project examples. Projects will report the total project GHG emission reductions and co-benefits estimated using the Draft LCT On-Road Benefits Calculator Tool. The Draft LCT On-Road Benefits Calculator Tool is available for download at: www.arb.ca.gov/cci-resources.

Using many of the same inputs required to estimate GHG emission reductions, the Draft LCT On-Road Benefits Calculator Tool estimates the following selected co-benefits and key variables from LCT on-road projects: reductions in criteria and toxic air pollutants (in tons), including Diesel PM, NOx, ROG, and PM2.5; and energy and fuel cost savings ($). Key variables are project characteristics that contribute to a project’s GHG emission reductions and signal an additional benefit (e.g., fossil fuel based transportation fuel use reductions). Additional co-benefits for which CARB assessment methodologies were not incorporated into the Draft LCT On-Road Benefits Calculator Tool may also be applicable to the project. Applicants should consult the LCT Funding Plan, solicitation materials, and agreements to ensure they are meeting LCT project requirements.
LCT On-Road Consumer-Based Incentive Projects

The LCT On-Road Consumer-Based Incentive Projects reduce GHG emissions by providing incentives for advanced vehicle technology types, such as conventional hybrid, plug-in hybrid, battery-electric, fuel cell, and renewable natural gas vehicles. CARB has identified eight LCT On-Road Consumer-Based Incentive Projects that this Quantification Methodology is applicable to:

1. **Agricultural Worker Vanpools**  
The Agricultural Worker Vanpools Pilot Project provides safe, convenient and reliable transportation for agricultural workers living in disadvantaged and low-income communities, while achieving emission reduction benefits through the deployment of clean technology vehicles. The project meets a basic transportation need of agricultural workers and reduces vehicle miles travelled (VMT) by single occupancy passenger vehicles to job sites.

2. **Clean Mobility Options**  
The Clean Mobility Options pilot project consists of grant projects designed to improve clean transportation access and increase zero-emission and near zero-emission mobility choices for the residents of disadvantaged and low-income communities. Using transportation needs assessments, the projects provide various clean mobility options (other than vehicle ownership) in order to increase access to electric car sharing, regular bicycle and electric bicycle sharing, scooter sharing, vanpools and carpooling, innovative transit services, and other clean mobility options. Note that the Quantification Methodology documented herein is only applicable to upfront estimates used for CARB’s Funding Plan for Clean Transportation Incentives. For project-level estimates, the specific Clean Mobility Options Quantification Methodology must be used, available at: www.arb.ca.gov/cci-resources.

3. **Clean Mobility in Schools Pilot Project**  
The Clean Mobility in Schools pilot project provides funding for zero-emission school buses and other school district vehicles, installation of supporting charging/fueling infrastructure, other clean mobility options such as creation of an electric vehicle car sharing service for school district employees and/or a bike sharing program for school staff and students, zero-emission lawn and garden equipment, and outreach and education for kindergarten through 12th grade public school district(s) in disadvantaged communities. Note that the Quantification Methodology documented herein is only applicable to upfront estimates used for CARB’s Funding Plan for Clean Transportation Incentives. For project-level estimates, the specific Clean Mobility in Schools Quantification Methodology must be used, available at: www.arb.ca.gov/cci-resources.
4. **Clean Vehicle Rebate Project (CVRP)**
   CVRP provides vehicle rebates on a first-come, first-served basis to California residents, businesses, non-profit organizations, government entities, and public fleets that purchase or lease plug-in hybrid, battery-electric, or fuel cell vehicles to achieve GHG emission reductions.

5. **Clean Cars 4 All**
   Clean Cars 4 All, formerly known as Enhanced Fleet Modernization Program (EFMP) Plus-Up, provides incentives for lower-income consumers living in and near disadvantaged communities who scrap their old vehicles and purchase new or used hybrid, plug-in hybrid, battery-electric, or fuel cell replacement vehicles. Instead of purchasing a replacement vehicle, participants also have the option of choosing an alternative mobility incentive voucher (referred to as the mobility option) to use on public transit and other clean transportation options. In addition, buyers of plug-in hybrid and battery electric vehicles are also eligible for incentives that cover home charging infrastructure for electric vehicles.

6. **Clean Truck and Bus Vouchers (HVIP)**
   The Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) is the cornerstone of advanced technology heavy-duty incentives, providing funding to support the long-term transition to zero-emission vehicles in the heavy-duty vehicle market.

7. **Financing Assistance**
   Light-Duty Financing Assistance offers financing options to low-income or disadvantaged individuals in disadvantaged communities in order to improve financing options for low-income individuals interested in purchasing advanced technology vehicles.

8. **Rural School Bus Pilot**
   The Rural School Bus Pilot Project helps California school bus fleets turnover to lower carbon transportation choices by funding new zero-emission school buses, or new conventionally-fueled school buses that use renewable fuels. The project prioritizes small- and medium-sized air districts (as defined by the California Air Pollution Control Officers Association) because those air districts have less access to funding from Department of Motor Vehicle fees and other local sources. Also prioritized are older school buses with higher mileage.
Methodology Development

CARB developed this Draft LCT On-Road Quantification Methodology consistent with the guiding principles of California Climate Investments, including ensuring transparency and accountability,\(^1\) to be used to estimate the outcomes of proposed projects, inform project selection, and track results of funded projects. The implementing principles ensure that the methodology:

- Applies at the project-level;
- Provides uniform methods to be applied statewide, and is accessible by all applicants;
- Uses existing and proven tools and methods;
- Uses project-level data, where available and appropriate; and
- Results in GHG emission reduction estimates that are conservative and supported by empirical literature.

CARB assessed peer-reviewed literature and tools and consulted with experts, as needed, to determine methods appropriate for the LCT project types. CARB also consulted with experts to determine project-level inputs available. The methods were developed to provide estimates that are as accurate as possible with data readily available at the project level. For specific assumptions applied to each LCT On-Road Consumer-Based Incentive Project, refer to CARB’s most recent Funding Plan for Clean Transportation Incentives: Appendix A - Emission Reductions Quantification Methodology, available at: https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-1

In addition, the University of California, Berkeley, in collaboration with CARB, developed assessment methodologies for a variety of co-benefits such as providing cost savings, lessening the impacts and effects of climate change, and strengthening community engagement. Co benefit assessment methodologies are posted at: www.arb.ca.gov/cci-cobenefits.

Tools

The Draft LCT Benefits Calculator Tool relies on CARB-developed emission factors. CARB has established a single repository for emission factors used in CARB benefits calculator tools, referred to as the California Climate Investments Quantification Methodology Emission Factor Database (Database), available at: http://www.arb.ca.gov/cci-resources. The Database Documentation explains how emission factors used in CARB benefits calculator tools are developed and updated.

CARB must use the Draft LCT On-Road Benefits Calculator Tool to estimate the GHG emission reductions and co-benefits of the proposed project. The Draft LCT On-Road

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\(^1\) California Air Resources Board. CCI Funding Guidelines for Administering Agencies. www.arb.ca.gov/cci-fundingguidelines.
Benefits Calculator Tool can be downloaded from: [http://www.arb.ca.gov/cci-resources](http://www.arb.ca.gov/cci-resources).

The Draft LCT On-Road Benefits Calculator Tool consolidates and replaces several Quantification Methodologies that were developed for individual LCT projects, including:

- Agricultural Worker Vanpools Pilot Project Quantification Methodology;
- Clean Vehicle Rebate Project Quantification Methodology;
- Clean Truck and Bus Vouchers Quantification Methodology;
- Consumer-Based Light-Duty Project Quantification Methodology; and
- On-Road Advanced Technology Demonstration Project Quantification Methodology.

**Updates**

CARB staff periodically review each quantification methodology and benefits calculator tool to evaluate their effectiveness and update methodologies to make them more robust, user-friendly, and appropriate to the projects being quantified. CARB developed the Draft LCT On-Road Quantification Methodology to effectively update, consolidate, and replace several quantification methodologies previously used by various LCT projects. This was done to enhance the analysis and provide additional clarity and consistency. The changes include:

- Updated source of air pollutant emission factors and fuel consumption factors from EMFAC2014 to EMFAC2017;
- Updated source of GHG emission factors from 2015 LCFS regulation to 2018 LCFS regulation;
- Options for vehicle class weighting calculation method;
- Options to include idling emissions [typical of heavy-duty projects];
- Options to select the baseline conventional fuel;
- Options to select the calendar year, baseline vehicle model year, and advanced technology vehicle model year;
- Input for the percentage of vehicle miles traveled that is assumed to be powered by electricity for plug-in hybrid electric vehicles (PHEV eVMT);
- Input for the assumed percentage improvement in fuel economy for hybrid vehicles compared to conventional vehicles;
- Ability to develop custom user-defined vehicle classes composed of multiple aggregated vehicle categories;

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[https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/carb_csmo_finalqm_16-17.pdf](https://ww3.arb.ca.gov/cc/capandtrade/auctionproceeds/carb_csmo_finalqm_16-17.pdf)  
[https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/arb_cbld_finalqm_16-17.pdf](https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/arb_cbld_finalqm_16-17.pdf)
• Options to identify and assess multiple vehicle technologies per vehicle class;
• Options for calculations based on project-level funding appropriations or specific individual vehicle class/technology funding appropriations; and
• Quantification of co-benefits for fossil fuel based transportation fuel use reductions and energy and fuel cost savings.
Section B. Methods for Awarded and Implemented Projects

The following section provides details on the methods supporting emission reductions in the Draft LCT On-Road Benefits Calculator Tool.

General Approach

Methods used in the Draft LCT On-Road Benefits Calculator Tool for estimating the GHG emission reductions and air pollutant emission co-benefits for awarded projects by quantification method are provided in this section. The Database Documentation explains how emission factors used in CARB benefits calculator tools are developed and updated.

CARB will quantify and report GHG emission reduction estimates and air pollutant emission co-benefits using two approaches:

1. Awarded Projects: Estimates will be quantified using equations described in this Section based on the project’s funding allocation(s). The Estimated Total Project GHG Emission Reductions will be based on the total number of incentives expected to be issued, estimated using the funding amount allocated to the LCT project.

2. Implemented Projects: Estimates will be quantified using the same equations as for Awarded Projects described in this Section, but use refined assumptions based on data from implemented projects. The Estimated Total Project GHG Emission Reductions will be based on the actual number of incentives issued for the LCT project.

These methods account for emission reductions from baseline vehicles and advanced technology vehicles. In general, for awarded projects, annual emission reductions are calculated based on the anticipated proportion of each advanced technology vehicle purchased or leased. For implemented projects, annual emission reductions are calculated based on the actual numbers of each advanced technology vehicle purchased or leased. The quantification period of the vehicle in calculating emission estimates is based on either the ownership requirement of the project or the useful life of the vehicle. Emission factors used in calculations are contained in the EMFAC2017 available at: https://www.arb.ca.gov/emfac/2017/. Documentation on the sources and methods used to determine the appropriate emission factors is also provided.
A. GHG Emission Reductions

Equation 1 or Equation 2 are used to estimate the total amount of GHG reductions expected by the project, either based on individual vehicle class/technology funding allocations (complex approach) or the entire project funding allocation (simplified approach), respectively. Awarded projects may use either the complex or simplified approach, while implemented projects use the complex approach.

**Equation 1: Total Project GHG Emission Reduction (Complex)**

\[
GHG_{\text{Complex}} = \sum_{\text{Class}} \left( \sum_{\text{Tech}} (GHG_{\text{Class, Tech}} \times N_{\text{Class, Tech}}) \times QP_{\text{Class}} \right)
\]

Where,
- \(GHG_{\text{Complex}}\) = Total project GHG emission reduction estimate using the complex estimation method [MTCO\(_2\)e]
- \(GHG_{\text{Class, Tech}}\) = GHG emission reduction estimate for a particular vehicle class and technology combination [MTCO\(_2\)e]
- \(N_{\text{Class, Tech}}\) = Estimated number of vehicles funded for a particular vehicle class and technology combination [unitless]
- \(QP_{\text{Class}}\) = Quantification period for a particular vehicle class [years]

**Equation 2: Total Project GHG Emission Reduction (Simplified)**

\[
GHG_{\text{Simple}} = \sum_{\text{Class}} \left( \sum_{\text{Tech}} (GHG_{\text{Class, Tech}} \times TS_{\text{Class, Tech}}) \right) \times N_{\text{Weight}} \times QP_{\text{Weight}}
\]

Where,
- \(GHG_{\text{Simple}}\) = Total project GHG emission reduction estimate using the simplified estimation method [MTCO\(_2\)e]
- \(GHG_{\text{Class, Tech}}\) = GHG emission reduction estimate for a particular vehicle class and technology combination [MTCO\(_2\)e]
- \(TS_{\text{Class, Tech}}\) = Technology split for a particular vehicle class and technology combination. Note that technology splits across all vehicle classes and technologies should sum to 100%. [unitless]
- \(N_{\text{Weight}}\) = Weighted average of number of vehicles funded [unitless]
- \(QP_{\text{Weight}}\) = Weighted average quantification period [years]

Equation 3 is used to calculate the annual GHG emission reductions from purchasing or leasing an alternative fuel vehicle instead of a baseline vehicle (e.g., either an older conventional fuel vehicle or a conventional fuel vehicle that would otherwise have been purchased/leased).
Equation 3: Annual GHG Emission Reduction Per Vehicle

\[
GHG_{Class,\,Tech} = GHG_{Baseline,\,Class,\,Tech} - GHG_{Adv\,Tech,\,Class,\,Tech}
\]

Where,

- \(GHG_{Class,\,Tech}\) = Annual GHG emission reduction estimate for a particular vehicle class and technology combination
- \(GHG_{Baseline,\,Class,\,Tech}\) = Annual GHG emission reductions from baseline vehicle
- \(GHG_{Adv\,Tech,\,Class,\,Tech}\) = Annual GHG emissions from the advanced technology vehicle

Units: MTCO\(_2\)e/yr

Equation 4 and Equation 5 are used to calculate the annual GHG emissions associated with baseline and advanced technology vehicles, respectively. For implemented projects, the annual emissions may be calculated based on specific vehicle makes and models rather than general vehicle classes and technologies.

GHG emission factors, energy densities, and energy economy ratios are obtained from the most recent LCFS Regulation and LCFS Reporting Tool data. For awarded projects, fuel consumption factors are derived from EMFAC2017, based on calendar year values from the middle of the quantification period (defined as the starting calendar year plus half of the quantification period, rounded down). Conventional hybrid and PHEV vehicles are assumed to have a 25 percent fuel economy improvement over the baseline technology. For implemented projects, fuel economy values may be based on reported values from project-specific vehicles.
**Equation 4: Annual GHG Emissions from Baseline Vehicle**

\[
\text{GHG}_{\text{Baseline, Class, Tech}} = \frac{\text{CI}_{\text{Baseline}} \times \text{ED}_{\text{Baseline}} \times \text{FE}_{\text{Baseline, Class}} \times \text{VMT}}{1,000,000} \times QP
\]

or for PTO,

\[
\text{GHG}_{\text{Baseline, Class, Tech}} = \frac{\text{CI}_{\text{Baseline}} \times \text{ED}_{\text{Baseline}} \times \text{EF}_{\text{CO2, Baseline}} \times 90 \times 17.5 \times U}{907,185 \times 1,000,000} \times QP
\]

**Where,**

- \( \text{GHG}_{\text{Baseline, Class, Tech}} \): Annual GHG emission reductions from the displaced baseline vehicle for a particular vehicle class and technology combination (MTCO\(_2\)e/yr)
- \( \text{CI}_{\text{Baseline}} \): Carbon intensity of the baseline vehicle fuel (gCO\(_2\)e/MJ)
- \( \text{ED}_{\text{Baseline}} \): Energy density of the baseline vehicle fuel (MJ/unit)
- \( \text{FE}_{\text{Baseline}} \): Fuel consumption factor of the baseline vehicle (unit/mi)
- \( \text{VMT} \): Annual vehicle miles traveled of the baseline and advanced technology vehicle (mi/yr)
- \( 1,000,000 \): Conversion factor from metric tons to grams (g/MT)
- \( \text{EF}_{\text{CO2, Baseline}} \): Carbon dioxide emission factor for PTO (g/mi)
- \( 90 \): Gallons of diesel per short ton of carbon dioxide exhaust (gal/ton CO\(_2\))
- \( 17.5 \): Conversion factor from miles to hour equivalent for ePTO (mi/hr)
- \( U \): Annual usage, in hours (hr/yr)
- \( 907,185 \): Conversion factor from short tons to grams (g/ton)
Equation 5: Annual GHG Emissions from Advanced Technology Vehicle

\[
\text{GHG}_{\text{AdvTech,Class, Tech}} = \frac{\text{CI}_{\text{AdvTech}, \text{Tech}} \times \text{ED}_{\text{AdvTech}, \text{Tech}} \times \text{FE}_{\text{AdvTech,Class, Tech}} \times \text{VMT}}{\text{EER}_{\text{AdvTech, Tech}} \times 1,000,000}
\]

or for ePTO,

\[
\text{GHG}_{\text{AdvTech,Class, Tech}} = \frac{\text{CI}_{\text{AdvTech}, \text{Tech}} \times \text{ED}_{\text{Baseline}} \times \text{FE}_{\text{CO2,Baseline}} \times 90 \times 17.5 \times U}{\text{EER}_{\text{AdvTech, Tech}} \times 907,185 \times 1,000,000} \times QP
\]

Where,

- $\text{GHG}_{\text{AdvTech, Class, Tech}}$ = Annual GHG emission reductions from the advanced technology vehicle for a particular vehicle class and technology combination [MTCO\textsubscript{2}e/yr]
- $\text{CI}_{\text{AdvTech, Tech}}$ = Carbon intensity of the advanced technology vehicle fuel for a particular vehicle technology [gCO\textsubscript{2}e/MJ]
- $\text{ED}_{\text{AdvTech, Tech}}$ = Energy density of the advanced technology vehicle fuel for a particular vehicle technology [MJ/unit]
- $\text{FE}_{\text{AdvTech, Class, Tech}}$ = Fuel consumption factor of the advanced technology vehicle for a particular vehicle class and technology combination [unit/mi]
- $\text{VMT}$ = Annual vehicle miles traveled of the baseline and advanced technology vehicle [mi/yr]
- $\text{EER}_{\text{AdvTech, Tech}}$ = Energy economy ratio of the advanced technology vehicle for a particular vehicle technology [unitless]
- $1,000,000$ = Conversion factor from metric tons to grams [g/MT]
- $\text{ED}_{\text{Baseline}}$ = Energy density of the baseline vehicle fuel [MJ/unit]
- $\text{FE}_{\text{CO2,Baseline}}$ = Carbon dioxide emission factor for PTO [g/mi]
- $90$ = Gallons of diesel per short ton of carbon dioxide exhaust [gal/gCO\textsubscript{2}e]
- $17.5$ = Conversion factor from miles to hour equivalent for ePTO [mi/hr]
- $U$ = Annual usage, in hours [hr/yr]
- $907,185$ = Conversion factor from short tons to grams [g/ton]

For awarded projects, the percent of electric vehicle miles traveled (eVMT) for the average PHEV is assumed to be 40 percent based on reported data, meaning that 60 percent of the miles driven by an average PHEV are powered by gasoline or diesel. For implemented projects, eVMT may be calculated as the weighted average percent eVMT based on the electric-range of PHEV models incentivized through the project.

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Equation 6 is used to calculate the estimated number of vehicles funded for each vehicle class/technology combination based on individual vehicle class/technology funding allocations (complex approach), while Equation 7 is used to calculate the estimated total number of vehicles funded based on the entire project funding allocation (simplified approach). For implemented projects, the number of vehicles funded may be specific to vehicle class and technology or by vehicle make and model, and is based on data resulting from the project.

**Equation 6: Number of Vehicles Funded, by Vehicle Class and Technology (Complex)**

\[
N_{\text{Class, Tech}} = \frac{PAA_{\text{Class, Tech}} \times (1 - A_{\text{Class, Tech}})}{I_{\text{Class, Tech}}}
\]

Where,

- \( N_{\text{Class, Tech}} \) = Number of vehicles funded for a particular vehicle class and technology combination [unitless]
- \( PAA_{\text{Class, Tech}} \) = Project allocation amount for a particular vehicle class and technology combination $ 
- \( A_{\text{Class, Tech}} \) = Adjustment factor used to account for the direct project implementation costs, for a particular vehicle class and technology combination % 
- \( I_{\text{Class, Tech}} \) = Incentive amount for a particular vehicle class and technology combination $

**Equation 7: Weighted Average Number of Vehicles Funded (Simplified)**

\[
N_{\text{Weight}} = \frac{PAA \times (1 - A)}{\sum_{\text{Class}} \left( \sum_{\text{Tech}} (I_{\text{Class, Tech}} \times TS_{\text{Class, Tech}}) \right)}
\]

Where,

- \( N_{\text{Weight}} \) = Weighted average of number of vehicles funded [unitless]
- \( PAA \) = Total project allocation amount $ 
- \( A \) = Adjustment factor used to account for the direct project implementation costs % 
- \( I_{\text{Class, Tech}} \) = Incentive amount for a particular vehicle class and technology combination $ 
- \( TS_{\text{Class, Tech}} \) = Technology split for a particular vehicle class and technology combination. Technology splits across all vehicle classes and technologies must sum to 100%.
Equation 8 is used to calculate the weighted quantification period for use in the simplified approach.

**Equation 8: Weighted Quantification Period (Simplified)**

\[
QP_{\text{Weight}} = \sum_{\text{Class}} \left( \sum_{\text{Tech}} (QP_{\text{Class}} \times TS_{\text{Class, Tech}}) \right)
\]

Where,
- \(QP_{\text{Weight}}\) = Weighted average quantification period \(\text{Units}\)
- \(QP_{\text{Class}}\) = Quantification period for a particular vehicle class \(\text{years}\)
- \(TS_{\text{Class, Tech}}\) = Technology split for a particular vehicle class and technology combination. Technology splits across all vehicle classes and technologies must sum to 100%.

**B. Air Pollutant Emission Reductions**

Equation 9 or Equation 10 are used to estimate the total amount of air pollutant reductions expected by the project (i.e., NOx, ROG, PM\(_{2.5}\), Diesel PM), either based on individual vehicle class/technology funding allocations (complex approach) or the entire project funding allocation (simplified approach), respectively. Awarded projects may use either the complex or simplified approach, while implemented projects use the complex approach.

**Equation 9: Total Project Air Pollutant Emission Reduction (Complex)**

\[
AP_{\text{Complex}} = \sum_{\text{Class}} \left( \sum_{\text{Tech}} (AP_{\text{Class, Tech}} \times N_{\text{Class, Tech}}) \times QP_{\text{Class}} \right)
\]

Where,
- \(AP_{\text{Complex}}\) = Total project air pollutant emission reduction estimate using the complex estimation method \(\text{Units}\)
- \(AP_{\text{Class, Tech}}\) = Air pollutant emission reduction estimate for a particular vehicle class and technology combination \(\text{tons}\)
- \(N_{\text{Class, Tech}}\) = Estimated number of vehicles funded for a particular vehicle class and technology combination \([\text{unitless}]\)
- \(QP_{\text{Class}}\) = Quantification period for a particular vehicle class \(\text{years}\)
Equation 10: Total Project Air Pollutant Emission Reduction (Simplified)

\[
AP_{Simple} = \sum_{Class} \left( \sum_{Tech} (AP_{Class, Tech} \times TS_{Class, Tech}) \right) \times N_{Weight} \times QP_{Weight}
\]

Where,
- \(AP_{Simple}\) = Total project air pollutant emission reduction estimate using the simplified estimation method (tons)
- \(AP_{Class, Tech}\) = Air pollutant emission reduction estimate for a particular vehicle class and technology combination (tons)
- \(TS_{Class, Tech}\) = Technology split for a particular vehicle class and technology combination. Note that technology splits across all vehicle classes and technologies should sum to 100%.
- \(N_{Weight}\) = Weighted average of number of vehicles funded (unitless)
- \(QP_{Weight}\) = Weighted average quantification period (years)

Equation 11 is used to calculate the annual air pollutant emission reductions from purchasing or leasing an alternative fuel vehicle instead of a baseline vehicle (e.g., either an older conventional fuel vehicle or a conventional fuel vehicle that would otherwise have been purchased/leased).

Equation 11: Annual Air Pollutant Emission Reduction Per Vehicle

\[
AP_{Class, Tech} = AP_{Baseline, Class, Tech} - AP_{AdvTech, Class, Tech}
\]

Where,
- \(AP_{Class, Tech}\) = Annual air pollutant emission reduction estimate for a particular vehicle class and technology combination (MTCO\(_2\)e/yr)
- \(AP_{Baseline, Class, Tech}\) = Annual air pollutant emission reductions from the baseline vehicle (MTCO\(_2\)e/yr)
- \(AP_{AdvTech, Class, Tech}\) = Annual air pollutant emissions from the advanced technology vehicle (MTCO\(_2\)e/yr)

Equation 12 and Equation 13 are used to calculate the annual air pollutant emissions associated with baseline and advanced technology vehicles, respectively.

Air pollutant emission factors are derived from EMFAC2017, based on calendar year values from the middle of the quantification period (defined as the starting calendar year plus half of the quantification period, rounded down). Emission factors for PM\(_{2.5}\) include brake wear and tire wear, and may optionally include idling emissions. A 50 percent reduction in brake wear emissions is applied for on-road vehicles that implement regenerative braking capability, such as in hybrid and electric vehicles. For low NO\(_x\) technologies, the NO\(_x\) emission factor is equal to 10% of the standard
technology. Air pollutant emission factors for compressed natural gas, renewable
natural gas, and alternative diesel fuels are assumed to be equivalent to diesel.

**Equation 12: Annual Air Pollutant Emission Reduction from Baseline Vehicle**

\[
AP_{\text{Baseline, Class, Tech}} = \frac{EF_{\text{AP, Baseline, Class, Tech}} \times VMT}{907,185}
\]

or for PTO,

\[
AP_{\text{Baseline, Class, Tech}} = \frac{EF_{\text{AP, Baseline, Class, Tech}} \times 17.5 \times U}{907,185}
\]

Where,

- \(AP_{\text{Baseline, Class, Tech}}\) = Annual air pollutant emission reductions from the baseline vehicle for a particular vehicle class and technology combination [ton/yr]
- \(EF_{\text{AP, Baseline, Class, Tech}}\) = Air pollutant emission factor of the baseline vehicle fuel for a particular vehicle class and technology combination [g/mi]
- \(VMT\) = Annual vehicle miles traveled of the baseline and advanced technology vehicle [mi/yr]
- \(907,185\) = Conversion factor from short tons to grams [g/ton]
- \(17.5\) = Conversion factor from miles to hour equivalent for ePTO [mi/hr]
- \(U\) = Annual usage, in hours [hr/yr]

**Equation 13: Annual Air Pollutant Emission Reduction from Advanced Technology Vehicle**

\[
AP_{\text{AdvTech, Class, Tech}} = \frac{EF_{\text{AP, AdvTech, Class, Tech}} \times VMT}{907,185}
\]

or for ePTO,

\[
AP_{\text{AdvTech, Class, Tech}} = 0
\]

Where,

- \(AP_{\text{AdvTech, Class, Tech}}\) = Annual air pollutant emission reductions from the advanced technology vehicle for a particular vehicle class and technology combination [ton/yr]
- \(EF_{\text{AP, AdvTech, Class, Tech}}\) = Air pollutant emission factor of the advanced technology vehicle fuel for a particular vehicle class and technology combination [g/mi]
- \(VMT\) = Annual vehicle miles traveled of the baseline and advanced technology vehicle [mi/yr]
- \(907,185\) = Conversion factor from short tons to grams [g/ton]
Equation 14 is used to calculate the estimated number of vehicles funded for each vehicle class/technology combination based on individual vehicle class/technology funding allocations (complex approach), while Equation 15 is used to calculate the estimated total number of vehicles funded based on the entire project funding allocation (simplified approach). For implemented projects, the number of vehicles funded may be specific to vehicle class and technology or by vehicle make and model, and is based on data resulting from the project.

**Equation 14: Number of Vehicles Funded, by Vehicle Class and Technology (Complex)**

\[
N_{\text{Class, Tech}} = \frac{PAA_{\text{Class, Tech}} \times (1 - A_{\text{Class, Tech}})}{I_{\text{Class, Tech}}}
\]

Where,

- \( N_{\text{Class, Tech}} \): Number of vehicles funded for a particular vehicle class and technology combination [unitless]
- \( PAA_{\text{Class, Tech}} \): Project allocation amount for a particular vehicle class and technology combination $-
- \( A_{\text{Class, Tech}} \): Adjustment factor used to account for the direct project implementation costs, for a particular vehicle class and technology combination %
- \( I_{\text{Class, Tech}} \): Incentive amount for a particular vehicle class and technology combination $

**Equation 15: Weighted Average Number of Vehicles Funded (Simplified)**

\[
N_{\text{Weighted}} = \frac{PAA \times (1 - A)}{\sum_{\text{Vehicle class}} \left( \sum_{\text{Vehicle technology}} \left( I_{\text{Class, Tech}} \times TS_{\text{Class, Tech}} \right) \right)}
\]

Where,

- \( N_{\text{Weighted}} \): Weighted average of number of vehicles funded [unitless]
- \( PAA \): Total project allocation amount $
- \( A \): Adjustment factor used to account for the direct project implementation costs %
- \( I_{\text{Class, Tech}} \): Incentive amount for a particular vehicle class and technology combination $
- \( TS_{\text{Class, Tech}} \): Technology split for a particular vehicle class and technology combination. Technology splits across all vehicle classes and technologies must sum to 100%.
Equation 16 is used to calculate the weighted quantification period for use in the simplified approach.

**Equation 16: Weighted Quantification Period (Simplified)**

\[
QP_{\text{Weight}} = \sum_{\text{Class}} \left( \sum_{\text{Tech}} (QP_{\text{Class}} \times TS_{\text{Class,Tech}}) \right)
\]

*Where,*

- \(QP_{\text{Weight}}\) = Weighted average quantification period [years]
- \(QP_{\text{Class}}\) = Quantification period for a particular vehicle class [years]
- \(TS_{\text{Class,Tech}}\) = Technology split for a particular vehicle class and technology combination. Technology splits across all vehicle classes and technologies must sum to 100%.
Section C. References

The following references were used in the development of this Draft LCT On-Road Quantification Methodology and the Draft LCT On-Road Benefits Calculator Tool.


