



GRANT\$ for TRUCKS

Notice of Funding Availability - Carl Moyer Voucher Incentive Program (VIP) 2016

March 2016—The San Diego County Air Pollution Control District (District) is pleased to announce the availability of funds from the Carl Moyer Voucher Incentive Program (VIP). The VIP provides a streamlined approach to reduce emissions by replacing existing, high-polluting vehicles with newer, lower-emission vehicles or by installing a Verified Diesel Emission Control Strategy (VDECS or “retrofit”). A total of approximately \$1.2 million is currently available for eligible on-road heavy-duty diesel retrofit or replacement projects.



(858) 586-2600
cleanairgrants@sdcounty.ca.gov
<http://tinyurl.com/SDAPCD-VIP>

WHO: San Diego County fleets that have **10 or fewer** on-road heavy-duty diesel fueled vehicles with a gross vehicle weight rating (GVWR) greater than 14,000 pounds are eligible to participate in the VIP.

WHAT: Grant funding for potential projects including new replacement vehicle purchase, used replacement vehicle purchase, and retrofit purchase and installation.

HOW: Visit <http://tinyurl.com/SDAPCD-VIP> for a list of participating dealerships and retrofit installers as well as application forms and instructions.

WHERE: Original signed copies of completed applications must be submitted via online application, mail, delivery, or in person to:

**San Diego County Air Pollution Control District
10124 Old Grove Road, San Diego, CA 92131
Attn: Mobile Source Incentives Section**

Facsimile submittals **will not be accepted**. Incomplete applications may not be accepted.

WHEN: Eligible applications will be approved on a first-come, first-served basis until funds are exhausted. All trucks must be purchased and placed into service by **December 31, 2016**.

For general information or questions about the Program, please visit <http://www.arb.ca.gov/msprog/moyer/voucher/voucher.htm>

Or contact:

Robert Mercado (Habla Español), Air Resources Specialist (858) 586-2694 Robert.Mercado@sdcounty.ca.gov

Daniella Gutierrez, Air Resources Specialist, (858) 586-2642 Daniella.Gutierrez@sdcounty.ca.gov



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FUNDING AMOUNTS

Vouchers range from \$5,000 to \$45,000 for the purchase of an eligible new or used 2007 model year or later heavy-duty vehicle to replace the existing 2006 and older model year heavy-duty vehicle to be scrapped. The replacement voucher amount varies depending on the model year of the existing vehicle, the annual miles traveled or fuel used, emissions level, fleet size and the delivery date and weight rating of the new vehicle.

Vouchers of up to \$10,000 are available for the purchase and installation of a qualifying retrofit device on eligible heavy-duty trucks. The retrofit voucher amount varies depending on the annual miles traveled or fuel used, fleet size, install date, and the weight rating of the existing vehicle.

For specific information on funding amounts, please see Appendix O and Appendix P of the VIP Guidelines available on ARB's website at <http://www.arb.ca.gov/msprog/moyer/voucher/voucher.htm>.

ELIGIBILITY

Project eligibility is determined based on the requirements of the VIP Guidelines and all subsequently approved revisions which can be found on ARB's VIP website at: <http://www.arb.ca.gov/msprog/moyer/voucher/voucher.htm>.

All projects must meet the following minimum requirements:

- Fleets that have **10 or fewer** on-road heavy-duty diesel-fueled vehicles with a gross vehicle weight rating (GVWR) greater than 14,000 pounds are eligible to participate in the VIP. **Fleets that have more than 10 heavy-duty on-road diesel vehicles are not eligible to participate in the VIP.** When determining fleet size, all of the vehicles under **common ownership or control** must be counted.
- The following vehicles are **not eligible for funding**:
 - Vehicles subject to the solid waste collection vehicle rule commencing with title 13, CCR, section 2021;
 - On-road diesel-fueled heavy-duty vehicles over 14,000 pounds owned or operated by a municipality that are subject to the fleet rule for public agencies and utilities commencing with title 13, CCR, section 2022;
 - Vehicles subject to the fleet rule for transit agencies commencing with title 13, CCR, section 2023;
 - Vehicles subject to the rule for mobile cargo handling equipment at ports and intermodal rail yards commencing with title 13, CCR, section 2479;
 - Off-road vehicles subject to title 13, CCR, sections 2401, 2411, 2421, 2432, and 2449;
 - Vehicles subject to the regulation for drayage trucks commencing with title 13, CCR, section 2027 (a vehicle that operated one or more times as a drayage truck in the previous two (2) years, but no longer operates as a drayage truck, is eligible to participate); and
 - Trucks with a GVWR of 14,000 pounds or less.
- Emission reduction technologies **must be certified/verified by the ARB** and must comply with durability and warranty requirements. For the purposes of the VIP, a technology granted a conditional certification/verification by ARB is considered certified/verified.



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- **Vehicle leasing is not allowed.** If financing is necessary, the vehicle purchase must be financed with a conventional purchase loan.
- The participant may obtain public and/or private financing to assist in the purchase of a retrofit or replacement vehicle, but cannot seek additional public funded grants.
- Emission reductions obtained through VIP projects must not be required by any federal, State or local regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legally binding document.
- No emission reductions generated by the VIP shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity.
- No project funded by the VIP shall be used for credit under any federal or State emission averaging, banking, and trading program.
- Engines operating under a regulatory compliance extension granted by the ARB, a local district, or the U.S. EPA are not eligible for funding.
- Projects funded by the VIP may not be used to generate a compliance extension or extra credit for determining regulatory requirements.
- Projects funded by the VIP must be included when defining the size of the fleet to determine regulatory compliance.

All participants must meet the following requirements to be eligible for funding:

- The participant must currently own and operate the existing vehicle, documented through providing a copy of the current existing vehicle title. The owner must be listed on the title as the current sole owner of the vehicle, and must have owned the vehicle during the previous twenty four (24) months.
- The existing vehicle must have met the mileage or fuel usage requirements in Appendix O or P, in each 12 month period, for the previous 24 months. Participants must submit documentation verifying usage for the previous 24 months for the existing vehicle. Examples of documentation may include, but are not limited to: logbooks, fuel records, maintenance records, and tax records.
- Replacing two existing vehicles with one replacement vehicle: Owners may replace two existing vehicles with one replacement vehicle as long as all VIP requirements are met. The two existing vehicles must have cumulatively met the mileage or fuel usage requirements in Appendix P. If the two existing vehicles have different engine model years, then the newest engine model year shall be used to determine the funding amount. Participants who utilize this option must submit a complete application for each existing vehicle. The applicant should specify on each application that the applicant is choosing this option by checking the Two-for-One Option box.
- The existing vehicle must have current California registration and have been registered in California for the previous 24 months, or must have been registered in California for the previous eight (8) consecutive months supplemented by alternate documentation showing California operation for the past twenty-four (24) months.



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- The existing vehicle(s) must have operated at least 75% of the time in California during each 12-month period for the previous 24 months.
- The existing vehicle must be in operational condition to qualify for funding.
- Applicants may only apply to one participating air district at a time.
- Applicants must be businesses located and/or operating in San Diego County. Residency will be determined by the address listed on the equipment registration or insurance documentation, or by other records deemed acceptable to the District.
- The participant must specify the participating dealership/retrofit installer used for the purchase of the replacement vehicle/purchase or installation of the retrofit device. If the application is approved, the participant must purchase the replacement vehicle/retrofit device from the specified dealership/installer. If the participant chooses to change dealerships/installers, the participant must submit a new VIP application to the district.

The owner must agree to the following terms after being approved for a replacement voucher:

- The replacement vehicle must be registered in California or in the California International Registration Plan (IRP).
- Replacements only – The replacement vehicle must be in the same weight class as the existing vehicle (either Light Heavy Duty, Medium Heavy Duty or Heavy Heavy Duty). Used replacement vehicles with a manufacturer GVWR of 33,001 pounds or greater must have less than 500,000 miles of operation. Used replacement vehicles with a manufacturer GVWR of 19,501 through 33,000 pounds must have less than 250,000 miles of operation. Used replacement vehicles with a manufacturer GVWR 14,001 to 19,500 pounds must have less than 150,000 miles of operation.
- Maintain insurance as required by law.
- Own and operate the replacement/retrofitted vehicle at least 75% of the time within California for a minimum of 36 months from the date of purchase.
- Notify the district if there is any change of ownership.
- Return annual usage surveys as requested by the district.
- Do not make any modifications to the emission control system on the vehicle engine.
- Be available for a follow up inspection, if requested by the district or ARB.
- Allow ARB to verify the replacement vehicle registration with the California Department of Motor Vehicles (DMV) after being awarded a voucher.
- Repay the voucher amount if the owner does not follow one or more terms as specified in the Application or



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Receipt of Replacement Voucher. ARB and/or the District will specify repayment terms.

- If the existing vehicle operated one or more times as a drayage truck in the previous two (2) years, but no longer operates as a drayage truck, the replacement and retrofitted vehicles will be added to the Drayage Truck Registry as non-compliant for the term specified on the Receipt of Replacement Voucher or Receipt of Retrofit Voucher to ensure that the replacement or retrofitted vehicle does not operate as a drayage truck during the surplus emission reduction period.

The information provided in this notice **is not meant to be a substitute for thorough review of the VIP Guidelines by the applicant.** For more detailed information on specific project category requirements, please refer to the VIP Guidelines, and all subsequently approved revisions, which can be found on the ARB's VIP website at <http://www.arb.ca.gov/msprog/moyer/voucher/voucher.htm>.

APPLICATION PROCESS

Applications will be reviewed and approved on a first-come, first-served basis, based on the date of receipt of the application by the District, until funds are exhausted. If a submitted application is incomplete, illegible, or any documentation is missing or unclear, the District will reject the application immediately and return it to the applicant. The dealer/installer will also be notified of the reasons for rejection. Rejected applicants can reapply for project funding if their application is rejected for being incomplete, illegible, or missing required documentation.

The VIP has limited funds and shall terminate upon depletion of program funding. The District must reject all VIP applications if funds are not currently available. The District cannot create a list of VIP projects to receive funding at a future date.

Completed application packets shall consist only of the forms provided by the District and any supporting documentation requested in the application forms. **Information specifically requested by the District is the only information that will be reviewed during evaluation of the project.** All applications must be signed by the owner of the vehicle/equipment. **Failure to complete, sign and date the application will result in rejection of the application.** Receipt of more than one application for any one project may result in all applications for that project being rejected. The District reserves the right to request additional information at any time as needed to fully evaluate the project.

Disclosures: Project applications include certifications that the equipment owner must sign, that include, but are not limited to the following declarations:

- Applicant is the owner of the existing vehicle(s).
- The existing vehicle is part of a fleet with no more than 10 on-road heavy-duty diesel-fueled vehicles.
- The information provided in the application and all supporting documentation is true and correct and meets the



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minimum requirements of the VIP.

- The existing vehicle(s) must have operated at least 75% of the time in California during each 12 month period for the previous 24 months.
- Applicant has not and will not apply for additional grant funds from any other entities or programs for the existing vehicle(s).
- The purchase of the low-emission vehicle(s) or retrofit device(s) is NOT required by any local, state, and/or federal rule or regulation, including the Drayage Truck Regulation.
- For a period of three years from delivery date, applicant will not engage in any activities that are subject to the Drayage Truck Regulation, including accessing any regulated port or intermodal rail facility.
- Applicant is in compliance and will remain in compliance with all applicable federal, state, and local air quality rules and regulations.
- Incomplete or illegible applications, and applications missing required documentation, will be immediately rejected and returned to the applicant.
- Applicant may reapply for project funding if the application is rejected because it was deemed incomplete, illegible, or missing required documentation.
- Applicant understands that incentive programs have limited funds and shall terminate upon depletion of program funding.
- Applicant has the legal authority to apply for incentive funding for the entity described in this application.

EVALUATION PROCESS

Each application will be evaluated for eligibility using the latest version of the VIP Guidelines and all subsequently approved revisions. The District will review and approve applications on a first-come, first-served basis, based on the date of receipt of the application by the District. The District will approve or reject applications within fifteen business days of receipt. If a submitted application is incomplete, illegible, or any documentation is missing or unclear, the District will reject the application immediately and return it to the applicant.

Approximately \$1.2 million in VIP funding is available in San Diego County for the remainder of 2016.

AWARD OF FUNDS

Vouchers will be awarded to eligible applicants who submit a completed application form with all required documents on a first-come, first-served basis until all VIP funds are exhausted. In the event funds are not available, the District shall have no liability to award any funds whatsoever to applicants or to furnish any other considerations. All projects



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awarded vouchers must successfully complete a pre-dismantle inspection (replacements only) as well as a post-inspection of the new vehicle or equipment.

PROJECTED SCHEDULE

Application evaluation will continue until all applications are evaluated or VIP funds are exhausted, whichever comes first.

Voucher Redemption Deadline - Replacements

The dealer and owner must agree on a date in which the replacement vehicle will be delivered. The voucher will be redeemable within 30 days of issuance or by the delivery date agreed upon by the dealer and owner, whichever is later. The truck must be delivered and operational by this date. The deadline to redeem a voucher can be extended by the District if requested by the dealership as a result of a delay in delivery of the replacement vehicle or other reasonable cause, as determined by the District. For vouchers issued during calendar year 2016, the voucher redemption and delivery deadline cannot be extended into the following calendar year because of surplus emission benefit requirements. If the owner is unable to purchase the replacement vehicle after a voucher has been issued, the owner must notify the dealer and District immediately so that funds can be reallocated.

Voucher Redemption Deadline - Retrofits

The installer and owner must agree on a date in which the retrofit will be installed. The voucher will be redeemable within 30 days of issuance or by the installation date agreed upon by the installer and owner, whichever is later. The retrofit device must be installed and operational by this date. The deadline to redeem a voucher can be extended by the District if requested by the installer as a result of a delay in delivery of the retrofit device or other reasonable cause, as determined by the District. For retrofit vouchers issued during calendar year 2016, the voucher redemption and installation deadline cannot be extended beyond December 31, 2016 because of surplus emission benefit requirements. If the owner is unable to have the retrofit installed after a voucher has been issued, the owner must notify the installer and district immediately so that funds can be reallocated.

NOTE: An applicant may **not order or make a down payment** on a new piece of equipment or vehicle prior to voucher approval. Dealers ordering equipment or vehicles prior to District approval of voucher applications assume all financial risk, and are in no way ensured program funds. A voucher grantee **may not receive equipment or vehicles, nor may work begin on a retrofit project, until the project voucher application is approved.**