



Program Guidelines

The goal of this program is to reduce emissions from **diesel and non-diesel internal combustion engines** in heavy-duty, Class 6-7, trucks that operate at least 50% of the time within the District boundaries (see page 5 for map) by replacing the old, high polluting trucks with new, zero-emission battery electric trucks. **Applicants must obtain approval and have a signed, executed contract from the District prior to the purchase or transfer of any equipment.** Any equipment purchased or transferred prior to contract execution is ineligible as this is not a rebate program. The District may consider projects that deviate from the guidelines on a case-by-case basis.

1. Eligible Applicants

- A. **Public Entities** – Including, but not limited to, state, metropolitan, county, city, multi-county special district (e.g., water district), school district, university, and federal agencies and organizations.
- B. **Private Entities** – Including, but not limited to, private organizations and corporations.

2. Funding

- A. Funding amounts for each project consist of two components: EPA Base Incentive (provided by the U.S. EPA under the Clean Heavy-Duty Vehicle grant award) and a District Plus-Up Incentive (provided by local District funds).
 - 1. **EPA Base Incentive** – Calculated as a percentage of the eligible replacement vehicle cost, subject to the maximum funding caps shown in the table below.
 - 2. **District Plus-Up Incentive** – The District provides an additional 20% of the eligible replacement vehicle cost, added to the calculated EPA base incentive. This increases the total incentive and is intended to encourage and support faster deployment of new, zero-emission vehicles under this funding opportunity.

Note: Applicants are responsible for a mandatory cost-share of at least 15% of the eligible project costs.

- B. **Funding Example:** For a straight/box truck with an eligible cost of \$275,000, the base incentive would cover up to 65% of the vehicle cost (\$178,750), with the District Plus-Up Incentive adding an additional 20% (\$55,000), resulting in a total incentive of up to \$233,750. The applicant would be responsible for the remaining \$41,250.

Zero Emission Vehicle Type	EPA Base Incentive Percentage Cap	EPA Base Incentive Funding Cap	District Plus-Up Incentive
Straight/Box Truck	Up to 65%	\$190,000	+20% of the Quoted Eligible Cost of Replacement ZE Truck
Step Van	Up to 65%	\$160,000	
Other Vocational Vehicle	Up to 65%	\$355,000	
Refuse Hauler	Up to 50%	\$260,000	
Street Sweeper	Up to 50%	\$315,000	



- C. Eligible costs include the cost of the cab and chassis including parts that are integrated into the vehicle.
 - 1. The eligible cost is calculated based on the invoiced price prior to any grants, incentives or non-manufacture discounts being applied.
 - 2. Eligible items include standard and optional equipment, taxes, licensing and delivery costs associated with the purchase of the vehicle.
 - 3. Ineligible items include non-essential vehicle features or cosmetic upgrades
- D. Funding will be decreased at time of reimbursement if the final invoice is less than the quoted amount to ensure the funding amount does not exceed applicable percentage caps of the final eligible cost. However, funding will not be increased if the final invoice is greater than the quoted amount.

3. Participant Requirements

- 1. Submit a completed application to the District.
- 2. Demonstrate that the truck is domiciled within the boundaries of the District boundaries (page 5).
- 3. Not purchase, make down payments, or take possession of the replacement truck prior to the issuance of an executed contract—doing so will render the project ineligible for funding.
- 4. Surrender the old truck to a District approved dismantler for destruction within 30 days of receiving the new truck.
 - a. The old truck must be delivered to the dismantler in operable working condition and must be rendered permanently inoperable within 90 days of receiving the new truck and prior to the applicant receiving reimbursement from the District.
- 5. Agree to allow the District, its representative(s) or the Environmental Protection Agency (EPA) to inspect the replacement truck upon request any time for the duration of the project life.
- 6. Properly maintain the replacement truck in good operating condition and according to manufacturer's recommendations.
- 7. Agree to submit annual reports to the District for the life of the project which may include, but not limited to, miles driven, details about servicing and maintenance, proof of registration (if applicable) and insurance.

4. Old Truck Eligibility

- 1. Have a Gross Vehicle Weight Rating (GVWR) of 19,501 – 33,000 pounds (Class 6 - Class 7).
- 2. Be owned by the applicant for the past 24 months.
- 3. Currently registered and have been registered (California base-plated or International Registration Plan) in the state of California for the past 24 months prior to the application submission date.
- 4. Currently insured and have been insured for the past 24 months prior to the application submission date.
- 5. Meet the following engine model year requirements:
 - a. 2010 or older diesel-powered engine
- 6. If the fleet does not possess an eligible engine model year (EMY) 2010 or older diesel-powered vehicle, then the existing vehicle to be replaced must be either:
 - a. 2010 or older non-diesel internal combustion engine or
 - b. 2011 or newer diesel or non-diesel internal combustion engine



7. Operate fifty percent (50%) of the time within the District boundaries (page 5) for the past 24 months prior to the application submission date.
8. Be in operating condition at the time of application submission.
9. Operating condition will be determined through an inspection process conducted by contracted by Dealership staff or District staff prior to issuing a contract. Trucks found to be non-operational during the inspection process will be deemed ineligible for the Program.
10. Have operated at least 7,000 miles during each twelve-month (12) period for the previous twenty-four (24) months.
 - a. If a vehicle does not meet the mileage requirement and the applicant can demonstrate that the vehicle idles the main engine for long periods to provide power for auxiliary apparatus (e.g., firetrucks or utility trucks), then the existing vehicle to be replaced must have idled for at least 500 hours/year during the two years prior to replacement.
 - b. The applicant must provide supporting documentation to prove minimum hours used per year.

5. New Truck Eligibility

1. Be a zero-emission battery electric vehicle, defined as a vehicle that has a drivetrain that produces, under any possible operational mode or condition, zero exhaust emissions of any criteria air pollutant (or precursor thereof) and any greenhouse gas.
 - a. Vehicles which have been converted to a ZE drivetrain after the first retail sale are not eligible for funding.
 - b. The conversion of a vehicle to a battery-electric drivetrain is not an eligible cost or activity.
2. Be EMY 2023 or newer.
3. Be a Class 6 or Class 7 heavy-duty vehicle.
4. Be ordered only after receiving a signed, executed contract from the District.
5. Be purchased, not leased or leased-to-own.
6. Be similar in form and function to the vehicle being replaced. The cost of optional components or “add-ons” that significantly increase the cost of the vehicle may not be eligible for funding.

6. Documentation

The following documentation must be submitted for each truck on application:

A. Copy of an itemized quote for new zero emission trucks:

1. Quote should represent the type and style of truck you would like to purchase. It should include all itemized features you will want on the truck you purchase as this quote will be used to determine possible incentive amounts.

B. California DMV Registration for the past 24 months:

1. Current cab card plus past 24 months from date of application submittal
2. California DMV Vehicle Registration Information Record printout may be substituted for past DMV Registration if expired cab cards are not available. The printout can be obtained online at <https://www.dmv.ca.gov/portal/dmv/detail/online/vrr> or by mail by submitting a Request for Driver Record Information form (INF 1125) to DMV.

C. Proof of insurance for the past 24 months



- D. Copy of title, free of any lien holders, on which the applicant is listed as the registered owner of the truck.**
 - 1. Titles on which the lien holder has signed the release of interest for the truck will be accepted.
- E. Usage Documentation:**
 - 1. Provide documentation that identifies the odometer reading covering each 12-month period for the previous 24 months. Types of documents can include, but are not limited to:
 - a. Maintenance records, Biennial Inspection of Terminals (BIT inspection), daily logs or other documentation to be approved on a case-by-case basis by District staff.
 - b. Documentation must clearly identify the truck by ID number or VIN.
- F. If applicable, a **resolution** from the applicant's governing body (i.e. City Council or County Board of Supervisors), or other documentation signed by a duly authorized official with authority to make financial decisions, authorizing the submittal of the application and identifying the individual authorized to implement the new vehicle project.**

7. Process Overview

- A. All applications received will be subject to a **review process**, which will include the following:**
 - 1. Verification of the truck owner's eligibility to participate in the Program.
 - 2. Verification that the proposed project is consistent with these Guidelines.
- B. If the application is **incomplete**, a letter and/or an email will be sent to the applicant indicating the reason(s).**
- C. If the application is **ineligible**, it will be canceled and a letter will be sent to the applicant indicating the reason(s).**
- D. When the application has been **deemed complete**, the project will be assigned for inspection by District staff. A District inspector will contact the applicant to schedule the inspection.**
 - 1. If the applicant has selected a dealership for the purchase of the replacement truck, the dealership can perform the pre-inspection prior to application submittal to reduce the processing time.
 - 2. Dealerships must submit inspections on the Dealership Pre-Inspection Form, which can be obtained by contacting Program staff at 559-230-5800, along with digital pictures.
- E. Contracts will be issued on a first come, first served basis until program funds are exhausted.**
- F. Payments from the District shall be made directly to the participant named on the contract upon receipt of a completed Claim for Payment packet submitted by the participant to the District.**
- G. Projects that are awarded a contract will be subject to a project life up to five (5) years commencing on the day the replacement truck is purchased, as indicated on the dealership's final sales invoice.**
 - 1. Applicants will be required to submit annual reports to the District for the life of the project. Annual reports will be provided by the District and mailed to applicants annually approximately one year from the date of the final sales invoice.

8. Inspection

The following inspections are required to be completed. A District inspector will contact the vehicle owner to schedule a time to perform the inspections at the appropriate times throughout the process. A visual



inspection of the vehicle (in person or virtually) along with photographs of the vehicle, VIN number, GVWR, and engine information will be obtained and reviewed.

- A. Pre-Inspection** – completed prior to contract offer by either a contracted Dealership or District staff
 - 1. The current vehicle must be in operational condition at the time of application submission and District pre-inspection. For vehicles with an attached body (e.g., box trucks, service trucks, or vocational bodies), the body must also be present and in place at the time of pre-inspection.
- B. Post Dismantle Inspection** – completed at the Dismantler facility and prior to reimbursement payment
- C. Post New Inspection** – completed after the Participant has taken delivery of the new vehicle and prior to the reimbursement request payment

9. Dismantler Requirements

The Program requires the current truck to be permanently destroyed. Destruction of the current truck’s chassis and engine permanently removes the old, high-emitting truck from operation. This requirement has been established to ensure that emission reductions are real. It prevents the current truck from being moved into another locale to continue emitting high levels of pollutants. A list of participating dismantlers can be found at www.valleyair/grants/truck-replacement.htm that current trucks can be delivered to for destruction.

10. Map of District Boundaries

