



## WEST COAST COLLABORATIVE

Public-private partnership to reduce diesel emissions

### *West Coast Collaborative*

#### **Trucking Workgroup**

February 13, 2006 Teleconference Meeting Summary

The Trucking Workgroup met by teleconference on February 13, 2006. This was a regularly scheduled meeting to highlight grants and conferences, update Collaborative activities, and discuss federal budget news.

Kristin Sipes introduced herself as the new EPA lead for the trucking sector in place of Michelle Roos who is taking a temporary leave of absence. Currently, Kristin is wearing two hats as a SmartWay Transport Partnership coordinator and working on the West Coast Collaborative. Her contact information is sipes.kristin@epa.gov or 202-343-9636.

#### **Grants and Conferences**

##### *Collaborative Diesel Emissions Reductions RFP*

*Deadline: March 23, 2006*

EPA Regions 9 and 10 are currently soliciting proposals to fund approximately \$3 million in projects that will demonstrate new, innovative or experimental applications, technologies, methods or approaches to reducing diesel emissions as part of the West Coast Collaborative. Projects must fall under one of six categories, including: trucking, marine vessels and ports, construction and distributed generation, locomotives and rail, agriculture, and cleaner fuels. EPA Regions 9 and 10 anticipate awarding approximately 6 to 12 grants or cooperative agreements ranging in size from \$50,000 up to \$500,000. On Monday, February 6, a question and answer session was held. For more information, visit <http://yosemite.epa.gov/R10/AIRPAGE.NSF/grants/WCC+RFP>.

##### *ATRI Seeks Teams to Demonstrate Mobile Idle Reduction Technologies*

*Deadline: March 1, 2006*

The American Transportation Research Institute (ATRI) released a request for proposals (RFP) seeking project teams to demonstrate and evaluate mobile idle reduction technologies for auxiliary power units on heavy-duty trucks, either installed as part of the truck manufacturing process or prior to the truck being placed in service. Project teams must consist of a trucking fleet, a truck manufacturer and an idle reduction technology vendor. ATRI expects to award approximately \$350,000. This award is being funded as part of a \$5 million grant program administered by the U.S. Environmental Protection Agency's SmartWay Transport Partnership to help promote technologies that save fuel while also reducing pollution. For RFP information, visit: [www.atri-online.org](http://www.atri-online.org)

##### *Clean Heavy-Duty Vehicle 2006 Conference*

February 22-24, 2006 in San Diego, CA, this conference is focused on advanced technologies and fuels for heavy-duty on- and non-road vehicles. As one OEM stated, it is "where new technologies are brought to light, displayed and reviewed" by key leaders in the heavy-duty vehicle industry.

<http://www.calstart.org/programs/chdvc/2006CHDV/2006chdvExhibitInfo.php>



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### Summary of the Faster Freight Cleaner Air Conference

Kristin Sipes, EPA, provided a brief summary of the conference. Last week, over 600 participants (including policymakers, fleet managers, port operators, state trucking associations, etc.) attended the Faster Freight Cleaner Air Conference to discuss the current and future issues surrounding freight movement in North America. The conference addressed air quality improvement and infrastructure needs holistically by holding breakout sessions for the marine, rail, off-road equipment, and trucking sectors, and then re-convening to go over the key issues for each sector. During the trucking sector meeting, a matrix of potential projects and funding sources was created, which the West Coast Collaborative Workgroup may want to use as a guide.

### FFCA Trucking Sector Matrix

Projects	Funding	Next Steps
Retrofit or modernization of existing trucks in and around ports	<ul style="list-style-type: none"><li>• Carl Moyer</li><li>• Calif. Governor's Bond measure</li><li>• EPA grants</li><li>• Authorization of \$200 M per year of Clean Diesel</li></ul>	<ul style="list-style-type: none"><li>• Explore use of innovative funding sources, such as low-interest loans and tax credits</li><li>• Work with small trucking fleets for replacement</li></ul>
SmartWay Upgrade Kits – improve fuel economy and reduce emissions	<ul style="list-style-type: none"><li>• State Infrastructure Banks (SIBs)</li><li>• CMAQ</li><li>• State loans programs</li></ul>	<ul style="list-style-type: none"><li>• CARB to investigate for application in California</li><li>• Work with State DOTs</li><li>• EPA testing Upgrade Kits for ports applications</li></ul>
Expand Gateway Cities program to replace full population of the 10,000 pre-1987 trucks in region	<ul style="list-style-type: none"><li>• Port of LA</li><li>• EPA</li><li>• Carl Moyer</li><li>• Port of Long Beach</li><li>• MSRC</li></ul>	<ul style="list-style-type: none"><li>• Gateway Cities will revise incentive formulas to be consistent with Carl Moyer</li><li>• Add retrofit and GPS technology to all trucks</li><li>• Explore ways to reduce tax liability associated with awards</li></ul>
Purchase non-diesel long haul trucks and cargo handling equipment in LA and possibly LB	<ul style="list-style-type: none"><li>• \$20 million in current budget</li></ul>	<ul style="list-style-type: none"><li>• Westport to continue field testing</li></ul>
Dedicated truck lanes along I-710	<ul style="list-style-type: none"><li>• User fees (container fees and tolls)</li><li>• Tax exempt bonds (to build)</li><li>• Tax credits (to build)</li></ul>	<ul style="list-style-type: none"><li>• TBD</li></ul>

Jim Flanagan, APL Terminals/Maersk, attended the conference and added that he felt it was the right thing at the right time that brought the right people under the same roof. He also suggested that funds allocated for Carl Moyer and Gateway Cities has never run out so finding ways to use that existing available money to get truck owner/operators to tap into the funds is as important as finding new or innovative sources of funding.



John Gustafson, Coast Transit, suggested that the difficulties for truck owner/operators is that they are pressed for time, there is not a lot of interest in government programs, and the perception of any bureaucratic requirements is a significant deterrent.

Kristin intends to make it a primary goal to get fleet/truck owners participating in the workgroup, leveraging connections through SmartWay.

### **President's FY 2007 Budget Request**

On February 6, 2006 the President announced his proposed FY07 budget. The President's budget included \$50 million for the Clean Diesel Initiative, which is also known as the National Clean Diesel Campaign, of which the West Coast Collaborative is a big part. The \$50 million includes Clean School Bus USA, SmartWay, and diesel retrofit grants and this is a \$35 million increase from last year. In the big picture, there was a 4% decrease in the budget, so the increase in diesel funding is especially notable. The diesel mitigation program is a highlight nationally and the West Coast Collaborative has been an important part of the momentum nationally.

In the past, the West Coast Collaborative has received a large portion of the national funds – the current \$3 million RFP represents 60% of FY 06's national diesel retrofit funding. Success on the West Coast is fostering similar efforts in spawning other regional collaboratives. Consequently, while it is hoped that the West Coast Collaborative will have an increase in funding, it is not anticipated that the West Coast Collaborative will get the same majority share of the national funding.

EPA also recognizes that some Collaborative partners may have concerns with other aspects of the budget; in particular the President's budget includes a \$35 million decrease in state funding. Of the \$35 million decrease, approximately \$17 million is reduced from PM fine monitoring network funding, \$17 million is reduced from 105 monies, and a smaller reduction comes from regional air partnerships. All those in the Collaborative believe and hope that state and diesel priorities can both be funded.

This FY07 proposed budget now goes to Congress for the appropriations process. For more information, visit: <http://www.westcoastcollaborative.org/congress.htm>.

### **Emerging Financing Initiatives**

In addition to pursuing grants, it is important for us to think “out-of-the box” regarding potential funding sources that could help move diesel emission reduction projects forward. As a workgroup, we need to work together to build demand for certain fuel efficient technologies and to change the culture of how projects are funded.

#### *California Revolving Loan Fund*

McKinley Addy, California Energy Commission, began by discussing the Commission's primary interest in working with the SmartWay upgrade kit as an energy efficiency tool. In that regard, the Commission is working with the state treasurer's office to look at ways in which commercial banks can offer new loan products for the financing of SmartWay



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upgrade kits. In addition, the Commission is exploring joint marketing plans for the SmartWay program with the California Pollution Control Financing Authority. On the legislative side, Bill 1901 proposes to introduce a revolving loan fund to purchase upgrade kits through a bond issuance. Assemblywoman Shirley Horton sponsored the bill and the California Trucking Association supported the bill. If passed, the program would start in 2007. The question of which state agency should administer the program remains. Currently, the bill calls on California Air Resources Board to administer the loans. However the Commission believes it is better placed to administer the bond-financed revolving loan fund based on existing relationships with industry and past history of administering similar programs. There is also an interest from some to extend the pay-back period beyond the current two-year loan term.

With respect to what's going on in the legislature, there may be opportunity for comments. McKinley will keep in touch with the Collaborative Workgroup as key opportunities arise.

### *Everybody Wins – State Infrastructure Funding*

Sharon Banks, Lane Regional Air Pollution Authority, is proposing to their board to move Everybody Wins ([http://www.lrapa.org/projects/everybody\\_wins/](http://www.lrapa.org/projects/everybody_wins/)) into a non-profit so that it can work in California, Oregon, and Washington. It would be focused around showcases at truck stops along the I-5 corridor to close the gap between the government bureaucracy and the truck owner/operators. The overall concept would be to bring the technology and funding information to the truckers. The role of the non-profit would be to coordinate all financing information available. LRAPA is currently working to access monies from the state infrastructure bank funding. Then, by forming a non-profit, the intent would be to leverage money available in California and Washington. If successful, this could help set an interesting precedent.

### **General Update on the Collaborative**

The Collaborative is looking to sponsor “Funding Forums” to bring together local decision makers, transportation owners, fleet managers. The Funding Forums are intended to bring information on CMAQ funds, and other funding opportunities. The Collaborative is teaming up with Western Air Regional Partnership (WRAP) to combine with the WRAP’s “Diesel Retrofit Bootcamp”.

The next Trucking Workgroup call is April 10, 2006. Visit [www.westcoastcollaborative.org](http://www.westcoastcollaborative.org) for information on upcoming Workgroup calls, conferences, and funding opportunities.



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### Attendees

Contact Name	Contact Organization	Contact Phone	Contact e-mail
Anne-Marie	Environment Canada		
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Bruce Trapoid	Rossmann		
Dan Fuller	True Diesel		
David Kays	Freightliner	503-745- 9162	DavidKayes@Freightliner.com
Ed Richards	Engine Control Systems		
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