

# Volkswagen Environmental Mitigation Trust Fund

## Statewide Zero-Emission Freight and Marine Program Solicitation

February 19, 2025

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## I. Overview

### A. Introduction

The Volkswagen Environmental Mitigation Trust (Trust) was established to settle a lawsuit in the United States District Court for the Northern District of California about use of illegal emissions testing “defeat devices” in certain 2.0-liter and 3.0-liter Volkswagen (VW) diesel vehicles. Funding through this Trust, as prescribed in the settlement’s Consent Decree, is being awarded to mitigate the excess oxides of nitrogen (NOx) emissions from these vehicles.

The California Air Resources Board (CARB) is the lead agency acting on the State's behalf in implementing California's \$423 million share of the Trust funds created in the settlement. As required by the Trust, in May 2018, CARB approved a [Beneficiary Mitigation Plan](#) (BMP) for California. The BMP establishes five eligible program categories, describes the goals and basic requirements for each category,<sup>1</sup> and authorized the allocation of approximately \$360 million in Trust funds for projects and \$63 million for reserves and administrative costs. The five program categories that were established for award of Trust funds include:

- Zero-Emission Transit, School, and Shuttle Buses (\$130 million)
- Zero-Emission Class 8 Freight and Port Drayage Trucks (\$79.6 million)
- ***Zero-Emission Freight and Marine (\$70 million)***
- Combustion Freight and Marine (\$70.4 million)
- Light-Duty Zero-Emission Vehicle Infrastructure (\$10 million)

Under agreement with CARB the Bay Area Air Quality Management District (BAAQMD) serves as the Program Administrator of the \$70 million in Trust funds allocated to the **Statewide** Zero-Emission Freight and Marine (ZEFM) program category.<sup>2</sup>

This document describes the eligibility criteria, project and program requirements, available funding, and processes for application, evaluation, and awarding of Trust funds. At its sole discretion, the Program Administrator reserves the right to modify this solicitation and its aspects.

### B. Program Objectives

The ZEFM program seeks to fund zero-emission projects to maximize NOx reductions and community benefits. Additionally, it seeks to drive the widescale adoption of zero-emission off-road equipment, which has traditionally relied on conventional diesel technologies, and to award at least 75 percent of the funding to projects that reduce emissions in California’s [disadvantaged and low-income communities](#)<sup>3</sup>.

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<sup>1</sup> The Volkswagen Environmental Mitigation Trust Beneficiary Mitigation Plan for the State of California is available at <https://ww2.arb.ca.gov/resources/documents/californias-beneficiary-mitigation-plan>.

<sup>2</sup> The VW Trust has allocated up to \$70 million to fund upgrades to ZEFM equipment.

<sup>3</sup> See <https://webmaps.arb.ca.gov/PriorityPopulations/> for California communities identified as disadvantaged and/or low-income.

### C. Resources for Applicants and Grantees

ZEFM program information, application resources, announcements, videos and recordings of webinars, and answers to frequently asked questions (FAQs) are available on the ZEFM program website at <https://www.californiavwtrust.org/zero-freight-marine>. Interested parties can sign up at <https://www.surveymonkey.com/r/CaliforniaVW> to receive email updates for the ZEFM program.

Questions about the ZEFM Program can be submitted to [californiavwtrust@baagmd.gov](mailto:californiavwtrust@baagmd.gov) or asked via phone at 1-844-9VW-FUND.

### D. Key Features of this Solicitation

This solicitation builds on CARB's modifications to the VW BMP in May of 2023.<sup>4</sup> Key features of this solicitation include:

- Funding of up to \$25 million available for ZEFM categories Statewide on a first-come, first-served basis for the following projects:
  - replacement of heavy-lift forklifts, and port cargo handling equipment (CHE) with new zero-emissions vehicles and equipment, and
  - repower of ferries, tugboats, or towboats by replacing marine engines with zero-emission alternatives.
  - Funding is not available for this solicitation for Airport Ground Support Equipment or Shore-power systems. However, funding for Airport Ground Support Equipment may be available through a local Air District or CARB's [Clean Off-Road Equipment Program](#).
- Larger award amounts for eligible projects (Section III. Funding Amount, A. Award Amount)
  - Projects meeting minimum eligibility requirements qualify for a baseline grant amount.
  - Projects may qualify for higher award amount based on cost-effectiveness evaluation.
- Expanded eligibility for marine vessel and cargo handling equipment projects:
  - Water taxis are now eligible.
  - Cargo handling equipment at all ports— including river ports, railyards, freight terminals, intermodal facilities, and freight corridors— is now eligible
- Allow stacking with other State incentive funds that do not claim NOx emission reductions, such as the Clean Off-Road Equipment Voucher Incentive Project (CORE).
- Requiring that marine vessel repower project applicants provide documentation of submission of a Zero-Emission and Advanced Technology (ZEAT) application to CARB for review. ZEAT approval must be obtained before grant agreement execution.

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<sup>4</sup> More information about CARB's update to the VW Trust BMP is available at [https://ww2.arb.ca.gov/sites/default/files/2023-05/2022appd\\_boardmemo\\_4.18.23\\_0.pdf](https://ww2.arb.ca.gov/sites/default/files/2023-05/2022appd_boardmemo_4.18.23_0.pdf)

## II. Eligibility and Requirements

### A. Eligible Applicants

1. Eligible applicants may be individuals, businesses, nonprofits, or government entities based in California or with a California-based affiliate. Indian Tribes are also eligible applicants, provided all funding sources are reported to ensure that NOx reductions are not double counted. For more information about the Environmental Trust Agreement for Indian Tribes, visit <https://www.vwenvironmentalmitigationtrust.com/tribe-trust>.
2. Applicants must be in compliance with all applicable CARB regulations at the time of application.
3. Applicants who have received any grants from local air districts or from CARB must be in good standing with the requirements of those agreements.
4. Applicants must have the financial ability to pay for all project costs upfront to complete their projects, including all costs not eligible for reimbursement. Program funds are paid on a reimbursement basis only after the project is completed.

### B. Eligible Project Components

The following activities and equipment (“Project Components”) are eligible for funding under this solicitation:

- Scrap and replace **heavy-lift forklifts with a lift capacity of at least 8,001 lbs.**, including but not limited to reach stackers, side loaders, and top loaders. Forklifts do not need to be located at a port to be eligible.
- Scrap and replace **port cargo handling equipment (CHE)** including but not limited to rubber-tired gantry cranes, straddle carriers, shuttle carriers, terminal tractors, yard hostlers, and yard tractors that operate a portion of the time within ports on a consistent basis. “Ports” include river ports, railyards, freight terminals, intermodal facilities, and freight corridors where cargo, products, or supplies are transferred between vehicles, locomotives, or marine vessels.
- Scrap and replace (repower) internal combustion-fueled **engines in ferries, tugboats, and towboats**, including engines in hybrid vessels.

Applicants selected for an award will be responsible for fulfilling all requirements described in the sections that follow.

### C. Equipment Requirements

#### 1. Baseline Equipment Requirements

Existing vehicle(s) or engine(s) (“baseline equipment”) must meet the following requirements to be eligible:

- a. Must be fueled by gasoline, diesel, compressed natural gas, liquefied natural gas, or propane.

- b. Must be owned by the applicant at the time of application.
- c. For applicants who wish to be reviewed for a cost-effective grant, applicant must have usage records showing equipment operation within the last 12 months and additional usage records to determine annual usage (see Appendix A)
- d. Must be in compliance with applicable regulatory requirements at the time of application.
- e. Baseline equipment must be scrapped.
- f. For a marine vessel project, an engine does not need to originate from the vessel that is being repowered to serve as an eligible “baseline” engine. Usage records need to be reflective for vessel being repowered, not of the engine(s) being scrapped.

## 2. Requirements for New Equipment for all Project Components

New equipment must meet all of the following requirements to be eligible for funding:

- a. Must be new and may not have been used, previously owned, registered, or purchased prior to execution of a grant agreement.<sup>5</sup>
- b. Must be certified or approved as zero-emission equipment.<sup>6</sup> Applicants can fulfill this requirement in one of the following ways:
  - i. Submit the URL or a screenshot from the California Clean Off-Road Equipment (CORE) catalog (<https://californiacore.org/equipmentcatalog/>) for the piece of equipment;
  - ii. Submit correspondence of approval of the equipment as zero-emission under another State grant program;
  - iii. Submit a copy of US EPA approval or certification of equipment as zero-emission;
  - iv. For marine vessel repower / engine replacement projects, applicants must submit evidence of their application to CARB’s Zero-Emission and Advanced Technology (ZEAT) for review and they must receive approval of ZEAT prior to grant agreement execution<sup>7</sup>; or
  - v. If no other documentation exists, request review and approval of the equipment as zero-emission under this solicitation on a case-by-case basis.
- c. Must remain zero-emission. No modifications may be made to the equipment’s emissions control systems, hardware, or software calibrations, (Vehicle Code Section 27156). No

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<sup>5</sup> Applicants may not make non-refundable down payments, become financially committed, or take possession of new equipment prior to the issuance of a fully executed grant agreement signed by all parties and the Notice to Proceed by the Program Administrator. A fully refundable deposit is allowed, as long as the deposit clearly states that it is fully refundable.

<sup>6</sup> Zero-emission equipment is anticipated to be battery-electric, hydrogen fuel cell, or grid-tied technology. Any new equipment that has been converted with aftermarket components to create zero-emission equipment is not eligible unless the entire piece of modified equipment has approval as zero-emission.

<sup>7</sup> To start the ZEAT application process, please email [Harborcraft@arb.ca.gov](mailto:Harborcraft@arb.ca.gov).

combustion source, such as a fuel-fired heater, is allowed.

- d. Must be operational for at least 36 months and warrantied for the equipment's expected useful life.<sup>8</sup>
- e. Must serve the same function as any baseline equipment and be capable of performing the equivalent or more work than the baseline equipment.
- f. Must be owned by the grantee.

### **3. Additional Requirements by Type of Equipment**

#### **a. Heavy-Lift Forklift Project Components**

- i. Must have a lift capacity of at least 8,001 lbs.
- ii. May be any type of combustion-fueled baseline equipment, including diesel Tier 4 or earlier.
- iii. Must be domiciled in California and can be used for any purpose (i.e., agricultural, construction, industrial, etc.).
- iv. New equipment must be placed into service and operational within 18 months from the date a Notice to Proceed is issued.

#### **b. Port Cargo Handling Equipment (CHE) Project Components**

- i. May be any type of combustion-fueled baseline equipment, including diesel Tier 4 or earlier.
- ii. Must operate partially in any California Port. "Port" includes river ports, railyards, freight terminals, intermodal facilities, and freight corridors where cargo, products, or supplies are transferred between vehicles, locomotives, or marine vessels.
- iii. Must be placed into service and operational within 18 months from the date a Notice to Proceed is issued.

#### **c. Ferry, Tugboat, and Towboat Engine Repower Project Components**

- i. Must currently be used as a ferry, tugboat, or towboat and must continue in the same type of service after being repowered.
- ii. Must have unregulated, Tier 1, or Tier 2 baseline engine(s).
- iii. Must have new equipment installed and the vessel operational within 24 months from the date a Notice to Proceed is issued. For a project to be eligible, all propulsion engines on a vessel must be upgraded to zero-emission.

## **D. Project Requirements**

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<sup>8</sup> The cost of an extended warranty is eligible for reimbursement using funding awarded under this solicitation.

To satisfy project requirements in this program, a grantee must do all of the following:

1. **Own the Equipment.** Grantees must be the legal owner of both baseline and new equipment.
2. **Wait for Contract and Notice to Proceed.** Only a fully executed contract constitutes the Program Administrator's award of Trust funds. No work or obligations may be made to procure equipment (e.g., entering into a binding contract for sale of equipment) prior to a Notice to Proceed being issued, except for the placement of fully refundable deposits, feasibility, electrical load capacity studies, or California Environmental Quality Act (CEQA).
3. **Consent to Inspection.** Applicants and grantees must consent to allow inspection of baseline equipment to verify information provided in the application. Grantees must consent to allow inspection of new equipment throughout the duration of the contract term to verify that it is operated in compliance with the contract.

The Program Administrator may conduct an inspection in person, appoint a designee to conduct an inspection in person, or conduct an inspection remotely (via live video stream). It is the responsibility of a grantee to furnish all necessary access and documentation needed to facilitate the inspection.

4. **Scrap Baseline Equipment.** No baseline equipment may be scrapped until the Program Administrator has issued a Notice to Proceed for that project component. Baseline equipment must be scrapped by a California-licensed dismantler or other dismantling entity that has been approved by the Program Administrator.

Baseline equipment must be scrapped within 60 days after the date the new equipment and any supporting infrastructure become operational or by the operational deadline included in the grant contract, whichever is sooner. Baseline engines may be scrapped any time after the grant agreement is executed and before the New Equipment is placed into service.

5. **Payment for Scrap.** If grantee is financially compensated for scrapping of baseline equipment, all of the following conditions must be satisfied:
  - a. The grantee will provide a receipt to the Program Administrator for any scrap payment showing the funds received from the dismantler.
  - b. In situations when the sum of scrap payment, and grant award(s), exceed the total eligible project cost, the grant award will be reduced accordingly.
  - c. The grantee will maintain documentation of the scrap payment as part of the project record.
6. **Submit Copy of Purchase Order(s) for New Equipment.** Copies of a purchase order for new equipment must be submitted to Program Administrator within 3 months of a Notice to Proceed.
7. **Comply with Prevailing Wage and Labor Requirements.** For projects including the installation of supporting infrastructure, the grantee must ensure that any and all work performed with Trust funds complies with California prevailing wage requirements, including but not limited to all of the provisions of State Labor Code Section 1771 regarding prevailing wages.

#### **E. Operational Requirements**

To satisfy operational requirements of this program, a grantee must do all of the following:

1. **Operate Equipment in California.** Projects funded under this solicitation must operate equipment within the State of California and Regulated California Waters.<sup>9</sup>
2. **Operate the New Equipment for Three Years.** The grantee must maintain and operate all new equipment in service for a minimum of 3 years.
3. **Assure Usage for the Hours Specified in the Grant Contract.** A grantee must operate the funded new equipment for no less than the specified number of hours in the contract. For new equipment registered in a California county that borders either another state or Mexico, mileage or hours accrued outside of California will not be counted towards this usage requirement.<sup>10</sup>
4. **Maintain Insurance.** A grantee must maintain insurance as required by law including, but not limited to property, liability, and workers compensation insurance. If an accident or other cause destroys or otherwise renders the funded equipment permanently inoperable, the applicant must notify the Program Administrator in writing. The written notification must provide proof that the new equipment has become inoperable, including photographs of the inoperable new equipment with equipment identification numbers (EIN) or other identifying markings, and any applicable insurance or police documentation.
5. In the event that any new equipment becomes inoperable, the grantee is solely responsible for replacing the inoperable equipment at the grantee's own expense in order to complete any remaining usage and operational requirements of the contractual obligations. Maintain and Provide Records. A grantee must keep written records of new equipment purchased and funded with Trust funds. These records include project-related expenditures and proof of purchase, final copies of reports submitted to the Program Administrator, and a copy of the executed contract and any amendments for the duration of the contract term plus three years. The Program Administrator reserves the right to ask a grantee to maintain and provide additional records not listed in this paragraph.

A grantee must provide all requested information related to any equipment purchased with Trust funds within thirty business days of the Program Administrator's written request for such information. Requested information may include, but is not limited to, purchase orders or agreements, equipment payment information, registration, insurance, and purchaser fleet information.

6. **Submit Periodic Reports to Program Administrator.** A grantee is required to submit periodic reports to the Program Administrator that, at a minimum, will include the following:
  - a. Annual Progress Reports that contain information about the pre-operational status of the project, including project costs incurred, project activity during the reporting period, and information about progress made toward implementing the project.

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<sup>9</sup> The definition for Regulated California Waters and other terms are provided at the end of this solicitation document.

<sup>10</sup> Applicants must furnish usage records for baseline equipment to substantiate future usage proposals and to support cost-effectiveness calculations for a proposed project component. Applicants are strongly encouraged to assure that usage records and proposed future usage are reasonable as a basis for the required usage in a grant agreement. If a grantee operates funded equipment less than the minimum hours specified in a grant agreement or is otherwise unable to satisfy the project component's usage or project life requirements, the grantee may be required to repay grant funds.



- b. Annual Operational Reports for at least a continuous three-year operational period. These operational reports will document ownership status and include the new equipment's mileage or hours operated.
7. **Follow Requirements for Leasing.** Leasing of funded equipment is allowed. However, a grantee must remain the legal owner of the equipment and remain responsible for all recordkeeping, reporting, and other program requirements, including the following:
- a. The lease agreement term must be for a minimum of 3 years or the period of time remaining in the operational period, whichever is less.
  - b. The grantee (equipment owner and lessor) must disclose grant contract requirements to the lessee.
  - c. While the grantee may work with a lessee to fulfill grant contract requirements, such as usage and reporting, all requirements in the grant contract remain the sole responsibility of the grantee.
8. **Follow Requirements for Resale.** New equipment may be resold, provided that the grantee does not commit to sell equipment until the Program Administrator has provided written approval in the form of a successor agreement with the potential new owner. The following conditions also apply:
- a. The grantee must inform the potential new purchaser in writing about the project requirements by sharing a copy of the execute contract.
  - b. The original owner will remain responsible for meeting all obligations of the grant agreement until a new successor grant agreement is fully executed and will remain responsible in the event that a potential new owner does not agree to the terms stipulated in a successor agreement.
  - c. For new equipment that is resold or moved out of the State, the grantee must promptly refund a prorated portion of Trust funds received.

### III. Funding

The Program Administrator seeks to award approximately \$25 million in Trust funds through this solicitation.

The sections below describe the funding amounts by project equipment type, and eligible and ineligible costs.

#### A. Award Amount

Initial review of an application assesses for eligibility and completeness. Upon completion of the initial review the Program Administrator will evaluate each of its proposed project components to determine its proposed award amount.

Eligible projects can qualify for the higher award amount based on either the cost-effectiveness limit of \$466,000 per ton of NOx reduced or the baseline grant amount (listed below). The VW award amount is limited by the equipment cost and cannot exceed 75% of eligible costs for non-government entities or 100% for government entities.

Baseline grant amounts are as follows:

Heavy-lift Forklift:	\$210,000
Port Cargo-Handling Equipment:	\$210,000
Ferry, Tug and Towboat Repowers:	\$3,000,000

A grantee may cover project costs not funded through this program using funding from the following eligible sources, subject to their program limitations: the California Energy Commission (CEC), the Low Carbon Fuel Standard, utility programs, Congestion Mitigation Air Quality programs, Clean Off-Road Equipment Voucher Incentive Project (CORE), CARB's Advanced Technology Demonstration and Pilots Projects or any other State incentive funds that do not claim NOx emission reductions.

A grantee may not combine funding received through this solicitation with funding from any sources that claim NOx emission reductions. These ineligible sources include but are not limited to, the Carl Moyer Program, the Community Air Protection Program, AB 923 (Firebaugh, Chapter 707, Statutes of 2004), and AB 617 (C. Garcia, Chapter 136, Statutes of 2017).

#### B. Eligible Costs

The following are examples of costs eligible for reimbursement under this solicitation.

- Purchase price and taxes for new eligible equipment
- Extended warranty up to 10 years after delivery of Equipment
- Shipping or delivery charges that are directly related to the Equipment
- Supporting infrastructure (e.g., charging equipment)
- Permit fees and electrical upgrades related to infrastructure
- Infrastructure installation costs
- Cost of design, and engineering (i.e., vessel design modifications to the engine bay/compartments, labor, site preparation).
- Contractor labor, contractor fees, and other contractor costs that are directly related to the project

### C. Ineligible Costs

The following are examples of costs ineligible for reimbursement:

- Any costs not directly related to the new equipment;
- Labor costs related to grant administration and project management;
- Contractor labor, fees, or other costs that are not directly related to installation of infrastructure or repower of commercial harbor craft;
- Planning or feasibility studies;
- Costs related to scrapping of baseline equipment;
- Maintenance costs (note: cost of extended warranty is allowed);
- Existing station upgrade;
- Fuel and energy costs;
- Distributed energy costs (e.g., fuel cells installed to provide power for charging infrastructure);
- Non-essential equipment hardware;
- Operations costs (i.e., fees, maintenance, repairs, improvements, spare parts, etc.);
- Insurance;
- Data collection and reporting;
- Travel/lodging;
- Employee training and salaries;
- Legal fees;
- Real estate property purchases/leases;
- Performance bond costs;
- Storm water plan costs;
- Security costs;
- Testing and soil sampling;
- Hazardous materials, including permitting, handling, and disposal;
- Signage; and
- Any costs incurred before the full execution of a grant agreement (does not include refundable deposit – see footnote on page 5)

### D. Reimbursement

The Program Administrator will process a reimbursement request and reimburse a grantee when all of the following project conditions have been met:

1. All funded equipment and infrastructure, if any, have been placed into service.
2. Eligible costs have been incurred and paid for by the grantee.<sup>11</sup>
3. Inspections and eligibility verification for new equipment and baseline equipment have been completed.
4. Baseline equipment/engine(s), has been properly scrapped.

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<sup>11</sup> The reimbursement for a project component may not exceed actual costs incurred after all discounts and other available sources of funding have been applied, including any grants or income from scrapping baseline equipment. Any costs in excess of those eligible for reimbursement are the responsibility of the applicant.

5. The grantee has submitted a reimbursement request that includes, at a minimum, complete and valid invoice(s) for the equipment, proof of payment(s) made, verification that the equipment is operational, equipment meets all requirements, and proof of destruction of baseline equipment. As necessary, the Program Administrator may request additional documentation not listed in this paragraph.

#### **IV. Application and Submission Instructions**

This section describes how to prepare and submit an application and how to add project components to an open application. Applicants can find additional instructions and how-to videos at <https://www.californiavwtrust.org/zero-freight-marine/>.

##### **A. Preparing an Application**

This solicitation requires applications to be submitted electronically through the VW Trust grants management website. Applicants may receive assistance from a third party to fill out and submit an application, but only equipment owners are eligible for awards. No contracts will be executed with a third party. **The electronic application system enables applicants to enter, save, modify, and add to request for funding as you go.**

##### **Applicants will need to do the following:**

1. Go to <https://www.californiavwtrust.org/zero-freight-marine/> and click the Grants Management Portal button. Create a profile and create an application.
2. Begin the application by entering information about the applicant organization, such as legal organization name, contacts, addresses, and tax ID number. Furnish required documentation about the organization and, if needed, its regulatory compliance.
3. Enter complete information about each project component that is proposed.
  - a. First enter a domicile location. To do so, click the (+) button at the top of the Project Component section and fill out fields in the window that opens.
  - b. Then enter information about the equipment. To do so, click the (+) button at the bottom of the Project Components section and fill out fields in the window that opens.
  - c. Be sure to click the Baseline Equipment check box and open the window to enter information that is required about the baseline equipment. After that, be sure to click the New Equipment check box and open the window to enter information about the new equipment.
4. Enter information about the applicable regulations for the equipment and attach all supplemental documentation needed to round out the application.

Applicants are encouraged to click on the Save button at the bottom of the screen as each section is completed to avoid losing any work. To reopen the application after saving, click the Edit button at the bottom of the page.

##### **B. Submitting an Application and Initial Project Components**

After the required information is uploaded for each project component, an applicant must do the following before submission:

- **Confirm the Completeness and Accuracy of an Application.** Before clicking on the “submit” button, applicants should confirm that all required information and materials have been accurately entered into the online system. Appendices A and B (Required Documentation) lists all documents that must be submitted with an application. Applicants are responsible for assuring that complete and accurate information is provided.
- **Agree to Lock the Project Component(s) for Review.** When an applicant clicks the Submit button, the Program Administrator will lock project component(s) for review. While a project component is being reviewed, only the Program Administrator will be able to change details about it. If an update is needed, an applicant will need to contact the Program Administrator to coordinate any changes. The changes may require sending the project component back for revision and resubmission.

Upon submission, the Program Administrator will review the application for completeness. Once the application has been deemed complete the Program Administrator begin reviewing the project component(s) submitted.

### C. Adding Project Components to an Active Application

If an applicant wishes to submit additional project components for the Program Administrators review they may continue to do so using the same application.

Adding a new project component to a complete application will not affect the position in the queue of any previous project components submitted for review. Each new project component will receive a timestamp upon submission and be put into the queue for evaluation accordingly. This means that project components added to an application may be in different spots in the queue for evaluation. Insofar as possible, the Program Administrator has the discretion to group awarded project components from an applicant into a single or multiple contracts.

## V. Evaluation and Award Proposal

Funding is available Statewide and applications will be accepted and evaluated on a first-come, first-served basis, until all available funds have been offered to applicants. If the solicitation becomes oversubscribed, applications will be placed on a waitlist. Applications placed on a waitlist will not be reviewed unless additional funding becomes available.

Application evaluation begins with an evaluation of the completeness of an overall application and continues for each added project component. Awards will be proposed after project components are evaluated against program requirements, as summarized below.

### A. Initial Screening of an Application

Before evaluating an application’s project components, the Program Administrator will screen a submitted application for completeness and eligibility.

1. **Review for Application Completeness.** If information is missing, the Program Administrator will notify the applicant that its application is incomplete. An application that is sent back because of incomplete information will receive a new date stamp once the application has been resubmitted and will be placed in the queue for evaluation using the later date. For this reason, the Program Administrator encourages applicants to doublecheck that all required materials have been entered before submitting and locking an application.

The Program Administrator will review the eligibility of the applicant by looking up the applicant’s regulatory compliance and funding history.

- 2. Review of Applicant and Project Eligibility and Location.** The Program Administrator will review the eligibility of the applicant by looking up the applicant’s regulatory compliance and funding history. Additionally, under this solicitation at least 75% of funding will be awarded to project components that reduce emissions in [disadvantaged and low-income communities](#)<sup>12</sup>. Project components that do not reduce emissions in disadvantaged or low-income communities will be put into the queue for review as long as geographically unrestricted funds are available. If no such funds are available or if the program is oversubscribed, the Program Administrator will place eligible project components on a waitlist.

## **B. Evaluation of Project Component Cost-Effectiveness**

For projects eligible for cost-effectiveness evaluation, each project component is subject to funding limits, which are determined based on various factors including the minimum required match for the project, the total eligible costs, and the cost-effectiveness of the component based on the estimated tons of NO<sub>x</sub> to be reduced.

**Cost-effectiveness** of a project component, represented in \$/ton, is determined by dividing the Trust funds awarded for project component by the tons of nitrogen oxides (NO<sub>x</sub>) reduced by the project component over the project life. Only the NO<sub>x</sub> emitted directly from the tailpipe of the old equipment will be included in the calculation of a project component’s cost-effectiveness. Costs of installing supporting infrastructure needed to power the new equipment may be included as part of the eligible costs.

## **C. Proposal of an Award**

After completing review of all components of a project, the Program Administrator will propose an award amount for each component in accordance with the information outlined in Section III. The Program Administrator will then notify the applicant whether the project has satisfied the program’s criteria. For project components selected for funding, a Notice of Proposed Award (NOPA) will be issued.

## **D. Timeline for Application Review and Award**

The anticipated schedule for application review and award proposal is summarized in Table 1.

[Table 1. Anticipated Timeline for Application Review and Award Proposal](#)

<u>Key Activities/Events</u>	<u>Tentative Dates</u>
Public Release of a Statewide First-come, First-served Solicitation	<b>December 19, 2024, 10:00 AM PDT</b>
Applicant Webinars	Schedule for webinars is posted on the <a href="#">VW ZEFM website</a> .
Application submission deadline	<b>The solicitation closure will be determined at a later date.</b>

<sup>12</sup> For vessel repower project components, a determination about location may be based on either the location where the vessel is domiciled or operated a majority of the time.

	<b>A notice will be posted on the website and an email will be sent out to the ZEFM email list at least three weeks before the solicitation will close.</b>
Initial Review and Determination of Completeness of Application*	Within 14 days after submission of application
Evaluation of Application and, if suitable, Notice of Proposed Award (NOPA)	Within 60 days after submission of a complete application.
Evaluation Timeframe for Additional Project Components and, if suitable, Notice of Proposed Award (NOPA)	Within 60 days after submission of each project component added to an open application.
Proposed Contracts Sent to Awardees	Within 30 days after publication of NOPA.
Deadline for Awardees to Return Signed contract to Program Administrator	Within 60 days from date the contract has been issued by Program Administrator. On a case-by-case basis, the Program Administrator may allow longer deadlines for Government entities that need contracts to be approved by their Board of Directors.
Contract executed and Notice to Proceed issued by Program Administrator	Within 30 days from date that Program Administrator receives the signed contract from Grantee
Inspections	May occur any time after application submission, prior to grant contract execution and throughout the contract term.
New Equipment is Delivered and Placed Into Service	New equipment for heavy-lift forklifts or port CHE must be placed into service and operational within 18 months of a Notice to Proceed. Copies of purchase order must be submitted within 3 months of a Notice to Proceed. Vessel repower projects must be placed into service and operational within 24 months of a Notice to Proceed. On a case-by-case basis, the Program Administrator may consider an applicant's requests for a longer implementation period.
Grantee Submits Annual Reports	Due by Feb 1 of every year during implementation and operation of the project until the project has provided at least 3 full years of operational data.
Grantee Maintains Written Records of Equipment Purchased with Trust Funds	Duration of the contract term plus 3 years
* The Program Administrator will inform the applicant within 45 days after an applicant is placed on a waitlist due to limited funding.	

## Appendix A: Documentation Required for a Complete Application

Document	Requirements for scrap and replace project components
<b>Photos</b>	Photos of the existing equipment or marine vessel and engine tag(s).
<b>Ownership Records</b>	A bill of sale for the baseline equipment or alternative documentation (see Appendix B: Checklist for a Complete Application).
<b>Insurance Documentation</b>	Documentation of liability insurance of not less than \$1,000,000 per occurrence, and property insurance in an amount not less than the insurable value of applicant's baseline equipment covering all risks of loss, damage and destruction to equipment.
	Documentation or self-certification declaring self-insurance may be considered in lieu of private third-party insurance on a case-by-case basis.
<b>Compliance Documents</b>	<p>Documentation demonstrating the project components included in the application are compliant with applicable CARB air quality rules and regulations at the time of application. Examples of applicable compliance documents include:</p> <ul style="list-style-type: none"> <li>• Diesel Off-road Online Reporting System (DOORS) documentation of fleet compliance (upload all pages of full document), including CARB's fleet calculator that shows the fleet's current compliance status</li> <li>• Commercial harbor craft reporting form and applicable CARB-approved extensions</li> <li>• Certificate of Reported Compliance with the Truck and Bus Regulation (TRUCRS Certificate)</li> </ul>
<b>Activity/Usage Records for the existing Equipment</b>	<p>To be considered for a cost-effective grant amount, usage records must show equipment operation within the last 12 months and additional usage records to determine annual usage.</p> <p>Example of usage documents include:</p> <ol style="list-style-type: none"> <li>1) Usage document from within the 12 months prior to application submission</li> <li>2) Usage document from approximately 24 months prior to application submission</li> </ol> <p>More usage documents are better than fewer. Equipment with no usage records still has the possibility to be eligible for the baseline grant amount.</p>
<b>CARB Executive Order(s)</b>	CARB Executive Order(s) for the existing engine(s) and the approval letter or CARB Executive Order(s) for the new engines. CARB's Executive Orders can be found on <a href="#">this website</a> by selecting the applicable engine category and model year.
<b>ZEAT Application or Approval</b>	For marine applications only, proof of a ZEAT application submission in accordance with the Commercial Harbor Craft(CHC) regulation, or a ZEAT approval letter from CARB. To start the ZEAT application process, please email <a href="mailto:Harborcraft@arb.ca.gov">Harborcraft@arb.ca.gov</a> .



<b>Readiness documentation</b>	<p>Example readiness documents are:</p> <ul style="list-style-type: none"> <li>• For marine repower, ZEAT applications or approval. Documents showing estimated completion dates, such as vendor quotes and work schedule.</li> <li>• For forklifts and cargo handling equipment, documents showing estimated delivery dates (provide once available), such as vendor quotes. <ul style="list-style-type: none"> <li>○ If applicable, for projects including proposed infrastructure, a proposed schedule for delivery and installation of the infrastructure components.</li> <li>○ If applicable, status of compliance with California Environmental Quality Act (CEQA), including whether the project applicant has obtained a final Notice of Determination, or a notice from the local land use agency that the project is exempt from CEQA.</li> <li>○ If applicable, completion of engineering design, or a determination that no design is needed.</li> <li>○ If applicable, approval of the site plan by the permitting agency, or a determination that no site plan is needed.</li> <li>○ If applicable, a completed utility assessment demonstrating sufficient electrical load capacity is available, or a schedule for when the upgrades (if needed) can be completed</li> </ul> </li> <li>• Letter of Commitment &amp; Authorizing Resolutions: <p>Government entities – Resolution adopted by governing board;  government entities – a letter of commitment on official letterhead, signed by an authorized representative.</p> <p>The resolution or letter must specify the applicant’s commitment to the program requirements, including match funding, and describe the source of the match funding committed to the project, including funding from other grants.</p> </li> </ul>
<b>New Equipment Quote</b>	<p>A quote for the proposed new equipment, including the estimated delivery date of the equipment. Quotes must include a comprehensive 3-year warranty for the equipment. If funding for supporting infrastructure is requested, the quote must also include a quote for the technology used to power (i.e., charge or refuel) the new equipment and an estimated completion date of the infrastructure installation. Quotes must be dated within 60 days prior to application submittal date.</p>
<b>W-9</b>	<p><b>W-9</b> for the applicant (please ensure it matches CA Secretary of State filed name):  Verify Business name at <a href="https://bizfileonline.sos.ca.gov/search/business">https://bizfileonline.sos.ca.gov/search/business</a></p>
<b>Electronic Submission</b>	<p><b>Applicant must sign electronically to submit the application by deadline</b></p>

## Appendix B: Checklist for a Complete Application

1	<p>Domicile information for the baseline Equipment:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> For ferry, tugboat, or towboat projects, specify homeport and berth/slip/pier information.</li> <li><input type="checkbox"/> For other equipment types, specify site location(s).</li> </ul>
2	<ul style="list-style-type: none"> <li><input type="checkbox"/> Total cost for new equipment</li> </ul>
3	<ul style="list-style-type: none"> <li><input type="checkbox"/> An estimated date for new equipment to be operational</li> </ul>
4	<p>Information about the baseline equipment:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Manufacturer, model, model year.</li> <li><input type="checkbox"/> Serial Number or Hull number</li> <li><input type="checkbox"/> EIN or U.S. Coast Guard Documentation Number</li> <li><input type="checkbox"/> Forklifts: Lift Capacity</li> </ul>
5	<p>Baseline engine(s) information</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Engine manufacturer, model, model year, serial number, horsepower, EPA family number, emissions tier.</li> </ul>
6	<p>Copy of CARB Executive Order for baseline equipment (e.g., existing engine(s)) – see <a href="https://ww3.arb.ca.gov/msprog/offroad/cert/cert.php">https://ww3.arb.ca.gov/msprog/offroad/cert/cert.php</a></p>
7	<p>For each piece of baseline equipment:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> A photo of the entirety of the baseline equipment, including any EIN stickers</li> <li><input type="checkbox"/> A photo of the equipment serial plate</li> <li><input type="checkbox"/> A photo of the engine tag and emissions label for each engine, including the make, model, model year, serial number, horsepower, emissions tier, and family name</li> <li><input type="checkbox"/> Photo of existing engine(s) hour meter reading</li> </ul>
8	<p>Information about the new equipment</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Equipment Type (forklift, port-CHE or marine engine), manufacturer, model, model year</li> </ul>
9	<p>Replacement (new) engine(s) information</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Engine manufacturer, model, model year, horsepower or power rating, estimated future annual hours of operation</li> </ul>
10	<p><b>Ownership documentation for baseline equipment</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Bill of sale for the baseline equipment, or:</li> <li><input type="checkbox"/> If a bill of sale cannot be provided, instead provide documentation of ownership for the last twelve (12) consecutive months using at least one item in the following list: <ul style="list-style-type: none"> <li><input type="checkbox"/> Tax depreciation logs</li> <li><input type="checkbox"/> Property tax records</li> <li><input type="checkbox"/> Equipment insurance records that identify the equipment and equipment owner</li> <li><input type="checkbox"/> Bank appraisals for equipment</li> </ul> </li> </ul>

	<input type="checkbox"/> Maintenance/service records <input type="checkbox"/> General ledgers <input type="checkbox"/> Fuel records specific to the existing equipment that identify the equipment owner.
<b>11</b>	<p>To be considered for a <b>cost-effective grant amount</b>, usage records must show equipment operation within the last 12 months and additional usage records to determine annual usage.</p> <input type="checkbox"/> Usage document from within the 12 months prior to application submission <input type="checkbox"/> Usage document from roughly 24 months prior to application submission Additional usage records are encouraged for max. funding evaluation.
<b>12</b>	Insurance Documentation for the baseline equipment
<b>13</b>	<p><b>Vendor Quote</b></p> <p>A vendor quote for the new equipment dated within 60 days prior to the application submittal date with the following information:</p> <input type="checkbox"/> Contact information for the dealer or vendor <input type="checkbox"/> Detailed information on the new equipment (make, model, manufacture year) <input type="checkbox"/> Date of quote <input type="checkbox"/> Total (including taxes and state fees) <input type="checkbox"/> Cost of parts and materials, and labor <input type="checkbox"/> Warranty information (including 3 to 10 years of comprehensive coverage of proposed equipment) <input type="checkbox"/> Tax rate <input type="checkbox"/> Manufacturer specification sheet <input type="checkbox"/> Estimated Delivery Date (provide once available) <p>For any supporting infrastructure, include a vendor quote dated within 60 days prior to the application submittal date with all the same fields as above and the estimated completion date.</p>
<b>14</b>	<p>Documentation demonstrating compliance with CARB regulations applicable to all baseline equipment in the application. Examples of applicable compliance documents include:</p> <input type="checkbox"/> Diesel Off-road Online Reporting System (DOORS) documentation of fleet compliance, including CARB’s fleet calculator that shows the fleet’s current compliance status and the list of all equipment reported in DOORS (that includes the baseline equipment). <input type="checkbox"/> Commercial Harbor Craft reporting form <input type="checkbox"/> Certificate of Reported Compliance with the Truck and Bus Regulation (TRUCRS Certificate)
<b>17</b>	For any supporting infrastructure: location of infrastructure, power rating, expected number of vehicle plug-ins per year, description of infrastructure, and number of chargers
<b>18</b>	Readiness documents: ZEAT applications for vessel, applicable permits, environmental reviews, designs, etc.
<b>19</b>	<p>Organization W-9 (please ensure it matches CA Secretary of State filed name):</p> <ul style="list-style-type: none"> <li>Verify Business name at <a href="https://bizfileonline.sos.ca.gov/search/business">https://bizfileonline.sos.ca.gov/search/business</a></li> </ul>

## Appendix C: Definitions

**“Airport Ground Support Equipment” or GSE** shall mean vehicles and equipment used at an airport to service aircraft between flights. GSE may perform a variety of functions that include one or more of the following: starting an aircraft, providing aircraft maintenance, fueling aircraft, transporting cargo to and from aircraft, loading cargo, transporting passengers to and from aircraft, handling baggage, servicing a lavatory, and providing food service.

**“All-Electric”** means powered exclusively by electricity provided by a battery, a hydrogen fuel cell, or an electricity grid.

**“Applicant”** means any person or organization submitting an application for funding.

**“Application”** refers to documentation that describes a Project and all of its Project Components that will reduce NOx emissions.

**“BAAQMD”** or “Program Administrator”, means the Bay Area Air Quality Management District, the entity selected by CARB to administer the Zero-Emission Freight and Marine funding category. This Implementation Manual and the Program Agreement between CARB and the Program Administrator describes the responsibilities of the Program Administrator. The Program Administrator is responsible for ensuring it and any subcontractors meet all Program Agreement requirements.

**“Baseline Equipment”** means existing equipment that is being replaced and upgraded with zero-emission equipment. Baseline Equipment is part of a Project Component.

**“Beneficiary Mitigation Plan”** is the document that contains the eligible mitigation actions for California that CARB will fund from the State’s \$423 million allocation of the Environmental Mitigation Trust.

**“California Baseline”** means the mean lower low water line along the California coast, as shown on the following National Oceanic and Atmospheric Administration (NOAA) Nautical Charts as authored by the NOAA Office of Coast Survey, which are incorporated herein by reference:

1. Chart 18600, Trinidad Head to Cape Blanco (January 2002);
2. Chart 18620, Point Arena to Trinidad Head (June 2002);
3. Chart 18640, San Francisco to Point Arena (August 2005);
4. Chart 18680, Point Sur to San Francisco (June 2005);
5. Chart 18700, Point Conception to Point Sur (July 2003);
6. Chart 18720, Point Dume to Purisima Point (January 2005); and
7. Chart 18740, San Diego to Santa Rosa Island (April 2005).

**“CARB-Certified”** means a vehicle that has been certified and issued an Executive Order by CARB.

**“Cargo Handling Equipment”** – please see “Port Cargo Handling Equipment”

**“Component”** – please see “Project Component”

**“Consent Decree”** means the First Partial Consent Decree in “In re: Volkswagen ‘Clean Diesel’ Marketing, Sales Practices, and Products Liability Litigation,” MDL No. 2672 CRB (JSC) (Dkt. No. 2103-1), and the Second Partial Consent Decree in that case (Dkt. No. 3228-1).

**“Cost-effectiveness”** means a measure of the dollars provided to a project for each ton of NO<sub>x</sub> emissions reduction. The methodology to calculate NO<sub>x</sub> emissions reduced is in Appendix A of the Beneficiary Mitigation Plan.

**“Disadvantaged Communities” or DACs** are defined by the California Environmental Protection Agency as census tract location in disadvantaged communities, designated per Senate Bill (SB) 535 (De León, Chapter 830, Statutes of 2012) and identified by the California Environmental Protection Agency (CalEPA) as the top 25% most impacted census tracts in [CalEnviroScreen](#). For the purpose of identifying DACs, use [California Climate Investments Priority Populations map that is in effect at the time of the solicitation](#).

**“Eligible Mitigation Action”** means any of the actions listed in Appendix D-2 of the Environmental Mitigation Trust.

**“Environmental Mitigation Trust”** means the trust funded with Mitigation Trust Payments according to the terms of the First Partial Consent Decree and the Second Partial Consent Decree (jointly, the “Consent Decree”).

**“Expend”** for the purpose of the ZEFM Program means the payment of funds on an invoice for an eligible vehicle, vessel, or piece of complementary infrastructure.

**“Equipment”** for the purpose of this solicitation means any of the following pieces of technologies: ferries, tugboats and towboats; airport ground support equipment (GSE); forklifts, port cargo handling equipment (CHE), infrastructure; and oceangoing vessel (OGV) shore power systems. There are two kinds of Equipment: New Equipment being put into service through a Project, and Baseline Equipment that is being scrapped and replaced through a Project.

**“Ferry”** means a harborcraft that has provisions for only deck passengers or vehicles, operating on a short run, on a frequent schedule between two points over the most direct water route, and offering a public service of a type normally attributed to a bridge or tunnel. “Ferry” also includes vessels operated by a public or private company to transport passengers commercially, on a regularly scheduled or on-demand basis, for purposes other than pleasure. Examples of ferry vessels include water taxis and any vessels subject to Vessel Common Carrier requirements as set forth by the California Public Utilities Commission in title 20, CCR, division 1, chapter 1, as it existed on April 1, 2018.

**“Forklift”** means off-road equipment used to lift and move materials short distances and generally includes tines to lift objects. For the purpose of this solicitation, eligible types of forklifts have greater than 8,001-pound lift capacity. Examples include reach stackers, side loaders, and top loaders. Forklift projects do not need to be located at a port or airport.

**“Government”** means a State or local government agency (including a school district, municipality, city, county, special district, transit district, joint powers authority, or port authority, that owns fleets purchased with government funds), and a tribal government or native village.

**“Grantee”** means an applicant whose application is selected for an award.

**“Ground Support Equipment”** – please see “Airport Ground Support Equipment”

**“Infrastructure”** means technology needed to enable the use of zero-emission vehicles and vessel, such as a

charging station for a battery-electric vehicle. This kind of technology is sometimes referred to a “complementary infrastructure” because it complements a vehicle or vessel technology that provides a mobility service. Infrastructure can be part of a Project Component.

“**Location**” refers to the geographic area where the beneficial impact of a Project occurs. Note that this location may be different than the domicile of the vehicle. Location is part of a Project Component.

“**Low-income communities**” or **LICs** are census tracts in low-income communities per Assembly Bill 1550 (Gomez, Chapter 369, Statutes of 2016) and defined as the census tracts and households, respectively, that are either at or below 80 percent of the statewide median income, or at or below the threshold designated as low-income by the Department of Housing and Community Development.

“**Match funding**” means those funds contributed by Funding Recipient, or other entity for the sole purposes of covering the Eligible Costs.

“**Mitigation Action**” is any of the actions listed in Appendix D-2 of the Environmental Mitigation Trust.

“**New Equipment**” refers to the zero-emission technology that reduces NOx emissions being put into service to replace Baseline Equipment or existing infrastructure. New Equipment is part of a Project Component.

“**Oceangoing Vessel Shore power**” means power systems that enable a compatible vessel’s main and auxiliary engines to remain off while the vessel is at berth.

“**Operational Period**” is the period during which funded equipment is maintained and operated to reduce NOx emissions.

“**Port**” means geographical areas including but not limited to seaports, great lake ports, river ports, railyards, freight terminals, intermodal facilities and freight corridors in which cargo, products or supplies are moved onto or off of vehicles, locomotives or marine vessels.

“**Port Cargo Handling Equipment (CHE)**” means equipment such as rubber-tired gantry cranes, straddle carriers, shuttle carriers, and terminal tractors, including yard hostlers and yard tractors, that operates within ports on a consistent basis.

“**Project**” means the set of project components submitted in an application. Each project component upgrades a piece of equipment and reduces emissions. A project may consist of one or more project components. An Application for funding may describe a project with only one or with more than one project component. Note that the scope and boundaries of a project and application are the same. The application describes the project, and the project upgrades technology to reduce NOx emissions.

“**Project Component**” means a combination of new equipment, complementary Infrastructure (if any) that supports the new equipment, baseline equipment, equipment Location that reduces NOx emissions, and timing of NOx reductions. A project component can be (i) the scrapping and replacing an airport GSE, port CHE, or forklift, (ii) the scrapping and replacing a marine engine to repower a ferry, tugboat, or towboat, or (iii) the installing of shore power at a berth.

“**Regulated California Waters**” means all of the following

1. all California internal waters;

2. all California estuarine waters;
3. all California ports, roadsteads, and terminal facilities (collectively “ports”);
4. all waters within 3 nautical miles of the California baseline, starting at the California- Oregon border and ending at the California- Mexico border at the Pacific Ocean, inclusive;
5. all waters within 12 nautical miles of the California baseline, starting at the California- Oregon border and ending at the California- Mexico border at the Pacific Ocean, inclusive;
6. all waters within 24 nautical miles of the California baseline. Starting at the California-Oregon border to 34.43 degrees North, 121.12 degrees West; inclusive; and
7. all waters within the area, not including any islands, between California baseline and a line starting at 34.43 degrees North, 121.12 degrees West; thence to 33.50 degrees North, 118.58 degrees West; thence to 32.48 degrees North, 117.67 degrees West; and ending at the California-Mexico border at the Pacific Ocean, inclusive

**“Repower”** means to replace an existing engine with a newer, cleaner engine or power source that is certified by EPA and, if applicable, CARB. For the purpose of this solicitation, repower includes, but is not limited to, combustion engine replacement with an electric power source (e.g. battery or fuel cell). All-Electric and hydrogen fuel cell Repowers do not require EPA or CARB certification.

**“Scrapped”** means to be rendered inoperable and available for recycling by, at a minimum, making an irregular hole at least 3-inches at its narrowest point in the engine block for all engines. For any baseline equipment being replaced, scrapped also means disabling the chassis by severing the vehicle’s frame rails.

**“Shore power”** – please see “Oceangoing Vessel Shore power”

**“Tier 0, 1, 2, 3, or 4”** refers to the EPA engine emission classifications for non-road, locomotive, and marine engines.

**“Towboat”** means any self-propelled vessel engaged in or intending to engage in the service of pulling, pushing, or hauling alongside barges or other vessels, or any combination of pulling, pushing, or hauling alongside barges or other vessels.

**“Trust funds”** means VW Environmental Mitigation Trust funds.

**“Tugboat”** means dedicated vessels that push or pull alongside other vessels in ports, harbors, and inland waterways (e.g., tugboats and towboats).

**“ZEAT” means “Zero-Emission and Advanced Technology”** which collectively includes zero-emission capable hybrid vessels and zero-emission vessels. CARB requires vessel owners/operators who intends to repower their existing vessels to zero emissions to submit a ZEAT applications (email [Harborcraft@arb.ca.gov](mailto:Harborcraft@arb.ca.gov)) so that CARB can review the technology feasibility and approve the technology.

**“Zero-emission”** means a vehicle or vessel that emits no pollutants from its source of onboard power when stationary and mobile. Battery-electric and hydrogen fuel cell power technologies are types of equipment that emit no pollutants when stationary and mobile. For the purposes of this solicitation, pollutants include carbon dioxide, carbon monoxide, hydrocarbons, oxides of nitrogen, and particulate matter.