Zero-Emission Freight and Marine Program
Q&A - Last Updated on July 22, 2020

This document includes answers to questions received by the VW Administrator regarding the Zero-Emission Freight and Marine Program ("ZEF&M Program") Solicitation ("Solicitation").

The document is organized by topic as shown in the index below and will be updated approximately weekly or as new questions are received. The date shown in parentheses following each question is the most recent date that a response was posted. Table 1 below lists the dates that this document was updated.

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Table 1. Dates Q&A Updated

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<td>July 8, 2020: Document Published</td>
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<td>July 22, 2020: Updates to Sections 1, 2, &amp; 8</td>
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1. **Eligibility**

- **Is leasing allowed under this solicitation? (7/8/20)**

Leasing equipment is allowed; however, the applicant must be the legal owner of the Baseline and Funded Equipment. If selected for award, the applicant/Funding Recipient will be responsible for conducting recordkeeping, reporting, and all other Program requirements.

- **Are delivery or drayage trucks eligible for the program? (7/8/20)**

No, on-road trucks—including delivery, freight and drayage trucks—are not eligible under the ZEF&M Program. However, funding for these vehicles may be offered through other VW NOx Mitigation solicitations, such as the Combustion Freight and Marine and Zero-Emission Class 8 Freight and Port Drayage Trucks categories (see [https://www.californiavwtrust.org/](https://www.californiavwtrust.org/)). Incentive funding for replacement of these vehicles may also be offered by local air districts, e.g., through the Carl Moyer Program.

- **Are infrastructure-only projects, e.g. electric charging infrastructure without GSE vehicles or CHE, eligible? (7/8/20)**

No, infrastructure-only projects are not eligible under the Zero-Emission Freight and Marine Program, with the exception of Shore Power projects. See the Section II of the Solicitation for a list of eligible projects.

- **Instead of scrapping, can we instead re-commission, or even repower, the vehicle for use at a different site / in a different state? (7/8/20)**

No, projects that do not fully scrap old equipment are not eligible for the ZEF&M Program. See definition of “Scrapped” in Appendix B: Definitions of the Solicitation.

- **May businesses or non-profits located outside of California apply? (7/22/20)**

No, unless the applicant has a California-based affiliate.

- **Can an organization submit multiple applications? (7/22/20)**

Yes. We recommend that you add multiple “Project Components” or pieces of equipment to a single application. All project components or pieces of equipment will be evaluated and ranked separately.

2. **Funding Limits, Match Funding, and Reimbursement Process**

- **Can other CARB funding sources like the Carl Moyer Program, Community Air Protection Program, or FARMER be used as match funding? (7/8/20)**

No, these inactive programs and any other funds that lead to double-counting of NOx emissions reductions may not be used as match with the ZEF&M Program funding. See Section III of the Solicitation to learn more about match funding source limits.

- **Are there category/technology caps that limit how much funding can go to any one category? (7/8/20)**

No, there is no limit on how much funding can be awarded to any one eligible project type of the ZEF&M Program. However, there are funding caps per Equipment or per berth or per entity. See Section III.A of the Solicitation to learn more about the funding limits.
• Will VW-funded equipment be allowed to generate Low Carbon Fuel Standard (LCFS) credits for the owner applicant? (7/22/20)
Yes, VW-funded equipment may be used to generate Low Carbon Fuel Standard credits. See Section III of the Solicitation to learn more about match funding source limits.

3. Program Schedule

4. Application Submittal Process and Evaluation

5. Inspections, Reporting, and Record Keeping

6. Implementation & Operation

7. Port CHE and Heavy-Duty Forklift Projects
   • Where can Port Cargo Handling Equipment (CHE) be located to be eligible for the program? (7/8/20)
   To be eligible, Port CHE must operate within ports, as stated in Section II.B of the Solicitation.
   • Are terminal tractors (yard trucks) eligible? (7/8/20)
   Yes, see Section II.B of the Solicitation for a list of Port Cargo Handling Equipment including terminal tractors.

8. Ferry, Tugboat and Towboat Repower Projects
   • Would the replacement of a Ferry, Tugboat, or Towboat vessel be eligible? (7/22/20)
   No, the replacement of the entire vessel is not eligible for the ZEF&M Program funding.
   • One of the engines in a vessel is Tier 2, and another engine is Tier 3. Can both engines be replaced as part of a repower project? (7/8/20)
   To be eligible, all combustion engines on the vessel must be replaced with battery-electric or hydrogen fuel cell technologies; however only costs related to the repower of the Tier 2 engine are eligible.
   • Is infrastructure an eligible expense for Tugboat, Towboat, or Ferry Repowers? (7/8/20)
   No, costs related to infrastructure for tugboat, towboat, or ferry repower projects is not eligible for funding under the ZEF&M Program.
• Is a project converting a diesel hybrid electric ferry to 100% battery-electric or battery and hydrogen-powered eligible? (7/8/20)

Yes, repower projects of a diesel hybrid ferry, tugboat or towboat to zero emissions, including battery and/or hydrogen fuel cell, are eligible. See section II for complete eligibility requirements.

• We have already started with repowering our vessel. Can you help with funding it? (7/8/20)

No, applicants who have started any work on their projects (e.g., physical changes to the equipment, signed purchase orders, financially committed) prior to receiving the Notice to Proceed are not eligible or will have their project disqualified and cancelled, as stated on page 14 of the Solicitation.

• Does the Ferry, Tugboat, or Towboat have to operate on the ocean to be eligible? (7/22/20)

No, a vessel does not have to operate on the ocean to be eligible. Instead the vessel must operate within Regulated California Waters. See the definition of "Regulated California Waters" in Appendix B: Definitions of the Solicitation.

9. Airport GSE Projects

• Is Infrastructure an eligible expense for projects with Airport Ground Support Equipment? (7/8/20)

No, costs related to infrastructure for GSE is not eligible for funding under the ZEF&M Program.

• Would any GSE decommissioned in CA but then operated somewhere else (outside of CA domestically or internationally) be eligible for the program? (7/8/20)

No, the new funded equipment must also be operated in California.

10. Shore Power Projects

• Can the money be used to retrofit a vessel to be equipped for shore power? Is the purchase of an Alternative Marine Power container and associated components, which will be utilized for vessels connecting to shore power, eligible for funding? (7/8/20)

No, vessel-side retrofits or purchase of Alternative Marine Power container are not eligible shore power projects. See Section II.C and Table 1 of the Solicitation to learn more about the eligibility requirements and eligible costs of shore power projects.

• Would a Shore Power project for a vessel that does not travel on the ocean (e.g. ferry or electric tug boat) be eligible? (7/8/20)

No, only shore power projects for ocean-going vessels are eligible for funding.

• Would a maritime hydrogen bunkering and fueling station be eligible for funding? (7/8/20)

No, maritime hydrogen infrastructure projects are not eligible for the ZEF&M Program funds.
11. **Use of Online Application System (Fluxx)**

- What do I do after I register on the online application system? (7/8/20)

For additional information on how to use the online application system, please see the "Resources" section at the following link [https://www.californiavwtrust.org/zero-freight-marine/](https://www.californiavwtrust.org/zero-freight-marine/).

12. **Other**