

CTF Rate Collection Spending Plan Update

Year 1 Collection and Priorities for Year 2
Environmental Management Division

Christopher Cannon
Director of Environmental Management
& Chief Sustainability Officer
April 27, 2023

Clean Truck Fund (CTF) Rate Collection – Year 1



- CTF Rate of \$10/TEU (\$20 containers >20 ft) on loaded containers started on April 1, 2022
 - Low NOx and zero-emission (ZE) trucks are exempt
 - Since, April 1st, approximately **107,342** truck trips were exempted (5% of total moves)
- Approximately **\$40.1 million** collected as of 04/01/2023
- Approximately **\$1.3 million** in administrative costs
- Total CTF Rate revenue as of 04/01/2023 = Approximately **\$38.8 million**

CTF Rate Spending – Year 1

CTF Rate spending as of 4/1/2023

- POLA Zero-Emission (ZE) Truck Voucher Incentive Program (POLA Voucher Program) through CARB's Hybrid and ZE Bus & Truck Voucher Incentive Project (HVIP)
 - Program opened on 09/12/2022
 - POLA made \$5 Million available for ZE trucks
 - \$150,000 per ZE truck
 - Four voucher applications received as of 4/1/2023 = 26 trucks = \$3.9 Million
 - Possible reasons for lack of interest
 1. Not enough incentive funding per ZE truck
 2. Lack of available truck supply and infrastructure for ZE trucks
 3. Market caution due to uncertainty of regulatory landscape
- Two ZE 25 Projects = \$3 Million each (\$6 Million total)
 - Total 22 ZE trucks
- Joint Electric Truck Scaling Initiative (JETSII) = \$1.5 Million
- **Total Year 1 Committed = \$11.4 Million**

Recommended Funding Priorities - Year 2



1. Infrastructure

- In discussion with Mobile Source Air Pollution Reductions Review Committee (MSRC) to leverage existing funding programs
- Future 2023 RFP for a proposed charging station in Wilmington

2. ZE Truck Vouchers

- Increase funding amount per voucher and plus up/stack grants

3. Innovative ZE Truck Concepts

- Funding of new emerging technologies or business models for ZE Trucks via Ports' Technology Advancement Program (TAP)

Recommended Updates to Voucher Program



- Increase voucher amount from \$150,000 to \$225,000 (\$250,000 for small fleet) per ZE truck for the initial \$5 million release of funds
 - Board authorized Executive Director with the ability to increase vouchers up to \$300,000
- Use the remaining ~\$27 million to “stack” on existing and future CARB HVIP vouchers
 - Approximately 699 HVIP vouchers currently being processed by CALSTART for the South Coast region
 - POLA voucher stacking = \$75,000 per ZE truck, \$100,000 per ZE truck for small fleets
 - We expect this strategy will expend all of the remaining Year 1 funding
- Advantages in Stacking
 - Distribute the funds faster (for both CARB and POLA)
 - Will guarantee a portion of the ZE trucks CARB is funding will call to POLA
 - POLB plans to stack funds on CARB HVIP vouchers like POLA
 - POLB plans to split the funding of the existing HVIP vouchers with POLA

Driver Feedback on the CTF Rate



- Neither Port has received any complaints nor concerns from drivers and labor representatives
- Drivers can provide feedback collection through email, phone or in person at the Terminal Access Center (TAC)
 - div.pola@tetrattech.com
 - (866) 721-5686
 - 1265 Harbor Ave., Long Beach, CA 90813
- Future driver surveys/studies necessary in 2023
 - Board requested follow up on 2021 driver survey regarding incomes and impact of CTF Rate
 - AB 2057 will requires surveys on employee/independent contractor status

Summary of Staff Recommendations



- Focus 2nd year of spending on infrastructure
- Increase funding amounts per POLA ZE Truck Voucher in hopes of attracting more participation in this program
- Conduct driver survey/study in Summer/Fall 2023 on CTF Rate impacts if any, employment status, and impacts from various state regulations (AB5, Truck & Bus Rule, Advanced Clean Fleets?)