



Fact Sheet

Clean Trucks Program

Overview

The landmark Clean Trucks Program will dramatically modernize the port trucking industry and slash truck-related air pollution by 80 percent by 2012. The Clean Trucks Program is outlined in the San Pedro Bay Ports Clean Air Action Plan. Diesel-powered harbor short-haul (drayage) trucks are a major source of air pollution. The Clean Trucks Program calls for drayage truck owners to scrap and replace about 16,000 polluting trucks working at the ports, with the assistance of a port-sponsored grant or loan subsidy. The Port of Long Beach program includes truck concession requirements to identify 'clean' trucks, ensure reliable short-haul service, and improve air quality, security and safety.

Concessions

- Only Port-permitted concession trucks will be allowed to work at the Port of Long Beach.
- The Port will grant five-year concessions to Licensed Motor Carriers (LMCs) who:
 - Pay a one-time application fee of \$250, and fees of \$100 per truck each year,
 - Register their drivers and trucks with the Port,
 - Meet Port "clean truck" standards,
 - Use drivers that meet security requirements including enrollment in the federal Transportation Worker Identification Credential (TWIC) program,
 - Give preference to drivers with previous drayage service at the ports,
 - Provide proof that health insurance was made available to all its drivers,
 - Ensure their drivers will comply with on-street parking restrictions and established state and municipal truck routes,
 - Agree to scheduled maintenance,
 - Tag their vehicles with radio-frequency identification devices so the Port can monitor compliance.
- The LMCs will be allowed to use employee drivers, independent contractor drivers or a combination of employee and contractor drivers – as they do now.

Truck Financing

- Most of these older, polluting trucks would remain on the public roadways for many years, even decades, unless the Port offers financial incentives. Most of the current truck operators cannot afford to buy a cleaner truck without a significant subsidy.

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- The Port will provide one-time financial assistance to accelerate the transition to clean trucks, offering the option of three financing plans:
 - Lease-to-own program
 - An applicant can exchange an older truck for a pre-approved new truck under a seven-year lease agreement.
 - The monthly lease payment will be \$500 to \$700.
 - The Port will augment the lease payments with Port monthly payments of \$800 to \$1,400.
 - Prepaid maintenance will be included.
 - At the end of the lease term, the Port will provide a 50 percent (\$7,000 - \$15,000) subsidy towards the purchase of the truck for the lessee.
 - With a new truck, operators are expected to save on maintenance and fuel.
 - Up-front grant for purchase
 - An applicant can exchange an older truck for a pre-approved new truck with a Port grant of \$60,000 to \$75,000 for a clean diesel truck, \$90,000 to \$120,000 for Liquefied Natural Gas (LNG) or other alternative fueled truck.
 - The applicant will provide the remaining costs.
 - Prepaid maintenance will be included as part of the up-front grant.
 - Up-front grant for retrofit
 - The Ports will provide a one-time grant (as much as \$20,000) towards the purchase of retrofit equipment for model year 1994 to 2003 trucks in 2008 and 2009.
 - Retrofit applicants may be eligible later for purchase grants or leasing subsidies, if funding is available.

Clean Trucks

- Old, polluting trucks will be progressively banned from entering Port shipping terminals.
 - October 1, 2008: All pre-1989 trucks will be banned.
 - January 1, 2010: 1989-1993 trucks will be banned from Port terminals along with unretrofitted 1994-2003 trucks.
 - January 1, 2012: All trucks that do not meet the 2007 federal clean truck emission standard will be banned from Port terminals.
- Trucks that meet the federal 2007 emission standard produce 80 percent less air pollution than older trucks.

Clean Trucks Fee

- Beginning October 1, 2008, the Port will begin collecting a Clean Trucks Fee of \$35 per loaded twenty-foot equivalent container unit (TEU).

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- The fee does not apply to containerized cargo moving through the Port by train.
- The fee will be charged to cargo owners and collected by marine terminal operators.
- The fee will generate \$1.6 billion to finance the replacement of 16,800 trucks by 2012 with clean diesel, LNG or other approved alternative-powered vehicles that meet the 2007 federal truck emission standard.
- The Clean Trucks Fund will also include \$143 million from the ports of Long Beach and Los Angeles, and \$36 million from the South Coast Air Quality Management District. The ports will also apply for \$400 million from the state Proposition 1B transportation bond.

Cargo Fee Exemption

- The Port will exempt or partially exempt cargo owners from paying the \$35 per loaded TEU Clean Trucks Fee if they use clean trucks:
 - Liquefied Natural Gas and Alternative-powered Trucks
 - Cargo owners are 100 percent exempt from the Clean Trucks Fee if their merchandise is:
 - Drayed by LNG or alternative-powered trucks that meet the 2007 federal emission standard.
 - The trucks were not funded by the Clean Trucks Program.
 - If the truck is put into service after October 1, 2008, must show proof that a non-compliant (pre-2007) truck has been scrapped.
 - Clean Diesel Trucks
 - Cargo owners pay a partial or \$17.50 per loaded TEU fee if their merchandise is:
 - Drayed by clean diesel trucks that meet the 2007 federal truck emission standard.
 - The trucks were not funded by the Clean Trucks Program.
 - If the truck is put into service after October 1, 2008, must show proof that a non-compliant (pre-2007) truck has been scrapped.

For more information

- Go to www.polb.com
- Or call (526) 901-1768.