# Port of Baltimore Dray Truck Replacement Program A Maryland Port Administration supported program



### Background

- As part of the Maryland Port Administration's "Green Port of Baltimore" initiative, MPA is working to reduce emissions from diesel engines serving the Port of Baltimore. Dray trucks are the oldest and often most polluting class 8 vehicles serving the Port. Typically, these vehicles are not replaced until they no longer run. Their long service life delays the introduction of cleaner, newer heavy duty diesel engines meeting EPA's most stringent engine emission standards.
- The goal of the "Port of Baltimore Dray Truck Replacement Program" is to reduce air pollution and greenhouse gases from dray trucks transporting goods to and from the Port of Baltimore. The program provides applicants with funding toward the purchase of a newer truck with an engine that meets more stringent emissions standards and requires scrappage of the old truck. Replacement trucks are funded with federal, state, and owner funds.

## Who can participate?

- Independent owner-operators as well as fleet owners may apply.
- Preference will be given to trucks registered in the state of Maryland. However, trucks that are registered in another state but serve the Port of Baltimore are still eligible.
- Carriers must currently provide drayage truck services to the Port of Baltimore facilities. Proof of port service can be established via a Transportation Worker Identification Card (TWIC) and through the Maryland Port Administration's eModal or other transportation monitoring systems.

## Who can participate? (cont.)

- Applicants must complete a "Funding Assistance Application" and provide copies of documentation (including TWIC card, truck title, up-to-date registration, proof of insurance, photograph of the truck submitted for replacement and proof of financing preapproval). Documentation must be sent with the application verifying the make, model, and year of the truck in question.
- Applicants must be in relatively good financial record and once accepted into the program be able to secure financing for the outstanding balance of the truck. Applicants must submit a letter showing pre-approval of a loan to cover the remaining cost of the new truck.

## Which old trucks can be replaced?

- Applicants must have owned their truck for at least one year, according to the date on the title, to be eligible. The truck cannot have more than 1 million miles on the odometer.
- Per EPA requirements, trucks must be 1993-2006 model year to be eligible for the program.
- Eligible trucks must be operational, street legal, and currently used to transport cargo to and from the Port of Baltimore.
- Old trucks must be scrapped by drilling holes in the engine block and cutting the chassis in half.

#### **Recent Projects**

- Replacement of 23 dray trucks: EPA grant of \$750,000 awarded to MPA for up to \$30,000 per replacement truck.
  2003 model year and older trucks were replaced with dray trucks having 2010 or newer EPA certified engines. Project completed third quarter 2015.
- Replacement of 22 dray trucks: Funded with \$200,000 federal US DOT CMAQ grant, \$140,000 from MPA, and \$100,000 from MDOT/SHA for up to \$20,000 per replacement truck. 2003 model year and older trucks are being replaced with dray trucks having 2007 or newer EPA certified engines. Project ongoing; 18 dray trucks have been replaced so far.

### **Current Project**

Replacement of 25 dray trucks: EPA grant of \$870,000 awarded to Maryland Environmental Service (MES) on behalf of MPA for up to \$30,000 per truck. 2006 model year and older trucks will be replaced with dray trucks having 2010 or newer EPA certified engines. Project will begin Spring 2016.

## **Application Process**

- MPA has assigned Maryland Environmental Service (MES) to administer the grant-funded projects on its behalf. MES manages a technical consultant that performs outreach to the dray trucking community, reviews funding applications from dray truckers, issues rebates checks, and performs general grant administration.
- Dray truckers who express interest in participating are prequalified (eligibility, financial readiness) and then submit a "Funding Assistance Application."
- After the application is approved, the dray trucker selects a replacement dray truck to purchase and submits a "Rebate Request Form" to receive a rebate for half the cost of the replacement truck up to \$30,000 per truck. The trucker matches the grant dollar for dollar up to the grant cap and covers any additional cost. (Example: \$75,000 cost of replacement truck = \$30,000 EPA grant + \$45,000 owner contribution.)

# **Application Process (cont.)**

- The "Rebate Request Form" is a one page form that provides identifying information about the dray trucker and old and replacement trucks (MY, VIN, Engine Family Number, Horsepower). A truck vendor invoice and scrappage documentation of the old truck is attached to the "Rebate Request Form." Scrappage documentation consists of photos showing destruction of the old truck (holes drilled into engine block and chassis cut in half), scrappage certificate with VIN of scrapped truck from a scrap yard, and copy of a check issued to the dray trucker from the scrap yard for dollar value of the scrapped truck.
- The "Rebate Request Form" on behalf the dray trucker is submitted to MES for issuance of the rebate check. Once MES approves the rebate, it issues an MES check for the dollar amount of the rebate to the dray trucker or truck vendor as appropriate. Typically, MES issues checks within one to two days after approval of the rebate request.

## **Additional Information**

- Green Port of Baltimore <u>http://www.mpa.maryland.gov/greenport/</u>
- Port of Baltimore Dray Truck Replacement Program <u>http://www.portofbaltimoredraytruckreplacementprogram.in</u> <u>fo/</u>