



Mid-Atlantic Regional Dray Truck Emission Reduction Program

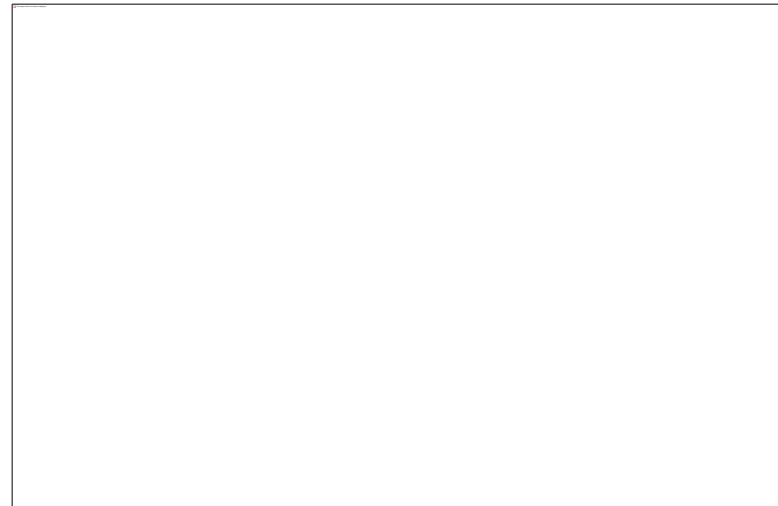
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General Overview

- Grant program that provides up to \$20,000 to replace older vehicles with more emission-efficient engines.
- Intended to reduce air pollution and greenhouse gases associated with the transport of goods to and from participating ports.
- Participating ports:
 - Port of Virginia
 - Port of Baltimore
 - Port of Philadelphia
 - Port of Wilmington



Leveraged Funds

- Total grant funds have been allocated among the four ports.
- Grant funds are being leveraged with outside sponsorships.



Sponsorships

- Sponsors eligible to submit applications for multiple trucks but eligibility rules still apply.
- Sponsorship levels:
 - Gold: \$30,000 – can submit up to 10 trucks
 - Silver: \$15,000 – can submit up to 5 trucks
 - Bronze: \$5,000 – can submit up to 2 trucks
- Sponsors will be highlighted on program outreach materials.



Eligibility Requirements

- Owner-operator or fleet owner
- Must service a participating port (proof of port service required)
- Class 8 vehicle
- 2003 engine or older (preference given to 1997 and older engines)
- Must have owned truck for at least 1 year
- Truck must be operational (current registration & insurance)
- Title must indicate “No Liens” or “Lien Release”
- Must meet scrappage requirements



Approved Applicants

- Receive up to \$20,000 towards a truck with a 2007 or newer engine.
- Must work with an approved program vendor.
- Responsible for covering or financing the remaining cost of the truck.



Truck Vendors



- Currently 11 approved vendor locations.
 - 5 in VA/NC area
 - 2 in Baltimore area
 - 1 in Wilmington area
 - Others located in FL, TX, and Ryder has nationwide offices
- Hope to add 2-3 more vendors in the Baltimore, Philadelphia, and Wilmington areas.



Price Range of Trucks

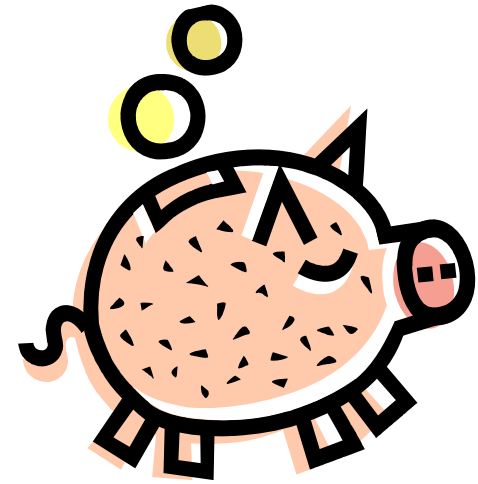


- Focus on MY 2008 and 2009 trucks (engine years 2007 and 2008)
- Year 1 prices ranged from \$36,000 - \$65,395
- Average program price: \$50,823
- Lower price = higher odometer reading
 - 700,000 miles = high \$30,000
 - 600,000 miles = high \$40,000s
 - 400-500,000 miles = high \$50,000s



Financing

- Five lending companies.
- No set rate.
- Attractive to lenders due to significant down payment.



Port of Virginia - Year 1



- Sponsored by the Virginia Port Authority
- Year 1 Statistics:
 - Number of applications received: 61
 - Number of certificates issued: 38
 - Number of participants who withdrew/certificates expired: 9
 - **Number of participants funded by VPA: 6**
 - **Number of participants funded by MARAMA: 23**



Year 1 (cont.)



NUMBER OF EFC-APPLICANT INTERACTIONS FALL 2011

Month	# New Inquiries	# New Applications Received	# Applications Approved by MARAMA	# Interactions with Applicants only *
September	9	6	9	64
October	10	12	11	90
November	14	7	0 (17 complete - ready to recommend)	63
December	9	5	0 (23 complete – ready to recommend)	53

* Includes number of phone calls and e-mails with applicants and prospective applicants (does not include EFC interactions with MARAMA, vendors, lenders, and other stakeholders).



Port of Virginia – Year 1 (cont.)



- After applicants were approved and issued a certificate, the average time to complete the process was two months.
- Certificates expired after 45 days.
- Certificate deadlines were extended due to:
 - Difficulty finding an affordable truck
 - Difficulty securing financing





Lessons Learned from Virginia



- Increased staff time needed for:
 - Application processing and
 - Post certificate process.
- Need to increase amount of time certificate holders have to find new truck and secure financing to 60 days.
- Continue to work with vendors/distributors to encourage bulk orders and secure lower per-truck cost.
 - Reduce the loan-to-value ratio per applicant.
- Continue to find viable financing options for applicants
- Best advertising has been word-of-mouth



Looking Ahead - Year 2: Port of Baltimore



- Current sponsors:
 - Maryland Port Authority
 - Maryland Department of the Environment
- Projected opening date: late January 2012
- Projected budget: \$850,000 (includes leveraged funds)
- Approximately 42 truck replacements expected



Looking Ahead – Year 2: Ports of Philadelphia and Wilmington



- Combined program
- Current sponsors (projected):
 - The Clean Air Council
 - Trinity Distribution Services
 - TriState Intermodal
 - Evans Trucking
- Projected opening: Spring 2012
- Projected budget: \$336,500 (includes leveraged funds)
- Approximately 16 truck replacements



Looking Ahead – Year 2: Port of Virginia

- Current sponsor:
 - Virginia Port Authority
- Program currently awaiting additional funds.
- Waitlist continues to grow.
- Continued interactions with prospective and waitlist applicants.



Thank You!

For further information:

<http://www.efc.umd.edu/cleandiesel>

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