

PROGRAM GUIDE - YEAR THREE

CleanBC Heavy-duty Vehicle Efficiency Program

July 2021

BACKGROUND

The BC Trucking Association (BCTA) partnered with the BC Ministry of Transportation and Infrastructure (MoTI) in 2019 to provide the CleanBC Heavy-duty Vehicle Efficiency Program (Program). The Province has committed \$1.4 million annually, for up to three years, for investment in this Program. BCTA is administering the Program on behalf of the Province.

The CleanBC Heavy-duty Vehicle Efficiency Program consists of two components: a half-day course and an application-based incentive offering that provides rebates on qualifying fuel-efficiency equipment. CleanBC Heavy-duty Vehicle Efficiency Program Course sessions will be offered online and in select locations across BC, subject to public health orders and guidelines related to COVID-19. Participating in and passing a course session is a pre-requisite for any company applying for CleanBC Heavy-duty Vehicle Efficiency Program Incentives.

The purpose of this Program is to support the reduction of heavy-duty on-road commercial vehicle greenhouse gas (GHG) emissions in British Columbia (BC) through available techniques and proven technology that reduce fuel consumption until near-zero or zero-emission heavy-duty vehicle options are available (i.e., market tested to demonstrate reliability for BC's topography and climate and priced comparatively to conventional options).

CleanBC is the provincial government's BC-specific plan to reduce GHG emissions by shifting away from fossil fuels and towards renewable energy. BC has legislated targets to reduce emissions to 40 percent below 2007 levels by 2030, 60 percent below 2007 levels by 2040 and 80 percent below 2007 levels by 2050.

PROGRAM DETAILS

1. CleanBC Heavy-duty Vehicle Efficiency Program Eligibility Requirements

To be eligible to participate in the Program, a company must:

- have one or more heavy-duty commercial vehicles in your fleet (a vehicle with a gross vehicle weight greater than 11,794 kg) that is licensed and insured to operate in BC;
- have a current National Safety Code (NSC) certificate with a "satisfactory" rating (Note: it does not have to be a BC-issued NSC and rental companies are not required to have an NSC);
- conduct business in BC; and
- have a terminal located in BC.

Membership in BCTA is not required to participate in the Program.

2. CleanBC Heavy-duty Vehicle Efficiency Program Course

BCTA will provide a half-day course, free of charge, to teach participants how to develop a Fuel Management Program for any size of fleet, including how to incorporate measures to improve fuel economy based on efficient driving practices and available technology.

The course will include:

- An overview of CleanBC, BC's GHG emissions reduction legislation and the BC road transportation industry's role in BC's emissions reduction targets.
- Fuel-efficiency management practices that carriers can adopt to reduce their fuel consumption such as driving techniques, an improved vehicle maintenance program, installing aerodynamic devices, utilizing wide tires and/or reducing idling time.
- How to develop a Fuel Management Program for any size of fleet.
- Participation in group exercises to apply course lessons (Note: group exercises may not be possible in webinar courses).
- An open-book quiz (a grade of 80 percent is required to pass the course).
- A course Handbook.

Any company wishing to enroll a representative in the course must meet the Program eligibility requirements above.

Upon successful completion of the course, participants are eligible to apply for CleanBC Heavy-duty Vehicle Efficiency Program Incentives.

Course information including dates, locations, and registration is available through BCTA's website at bctrucking.com.

3. CleanBC Heavy-duty Vehicle Efficiency Program Incentives

The CleanBC Heavy-duty Vehicle Efficiency Program Incentives offer rebates on the purchase and installation of qualifying fuel-saving equipment. Companies can apply for CleanBC Heavy-duty Vehicle Efficiency Program Incentives subject to the following conditions:

All Companies

- At least one company representative must complete and pass the CleanBC Heavy-duty Vehicle Efficiency Program Course prior to applying for Program Incentives. Note: companies that have had a company representative complete and pass the CleanBC Heavy-duty Vehicle Efficiency Program Course in either 2019, 2020 or 2021 do not need to take the course again to be eligible to apply for Program Incentives in 2021/22, providing they have the same NSC (rental companies are not required to have an NSC).
- Every company eligible for Program Incentives can receive a maximum of \$15,000 per vehicle or \$100,000 per fleet per fiscal (Program) year (April 1 to March 31). These maximums apply to the eligible company, including any affiliates.

- All fuel-efficiency equipment approved through the Program Incentives must be purchased and installed in BC by a BC-based facility/company within 65 days for pre-existing vehicles (retrofits) and within 120 days for new vehicle purchases. Installation can be done in-house as long as the facility is in BC and a purchase order and work order can be generated.
- In order for the fuel-efficiency equipment to be eligible for a rebate through the Program Incentives, purchase must not be made before a company receives notice from BCTA that its application was approved.
- All applications must be for new purchases of the qualifying fuel-efficiency equipment and can include new vehicles with the qualifying equipment installed by the dealer. No retroactive applications for previously purchased/installed equipment will be accepted.

Motor Carriers

- Affiliates of an eligible company with distinct NSCs must send their own representative to complete and pass the CleanBC Heavy-duty Vehicle Efficiency Program Course in order to apply for Program Incentives.
- Eligible companies can apply for Program Incentives for their owner/operator vehicles as long as the owner/operator operates under the applicant company's NSC, AND the applicant company can demonstrate it has the support of the owner/operator, by way of a letter of support, for the application pertaining to their vehicle.

Rental Companies (companies that own and rent commercial vehicles with a gross vehicle weight greater than 11,794 kg)

- The rental company must have at least one rental office in BC, and only vehicles that are rented from and maintained in BC, are eligible to apply for Program incentives.
- The rental vehicle for which incentive funding is being applied for (tractor or trailer) must be:
 - Part of the rental company's short-term rental fleet (rented for a period of 30 days or less, long term rentals will not be considered);
 - Returned, after each rental, back to the BC rental company's terminal; and
 - Maintained in the rental company's short-term rental fleet for a period of no less than 1 year from the time Program incentive dollars are issued.

BCTA's application evaluation and distribution process criteria is as follows:

- For the period of August 9, 2021 to October 31, 2021, all Program Incentive funds will be disbursed by provincial region¹ proportional to the region's population distribution;
- Distribution of funds, between the period of August 9, 2021 to October 31, 2021 will also support the promotion of transportation diversification across carrier type and size and with priority access being given to new applicants:

¹ <https://www.welcomebc.ca/Choose-B-C/Explore-British-Columbia/Regions-in-B-C>

- From August 9, 2021 to September 12, 2021, BCTA will only accept applications from new applicants, those carriers, as defined by their National Safety Code (NSC) number, that have not been allocated funds from the Program² in year-one or year-two; and
 - From September 13, 2021 to October 31, 2021, BCTA will accept applications from all carriers.
- If funds from a region have been unallocated as of October 31, 2021, those funds will then be allocated to a general pot for distribution on a first-come, first-serve basis effective November 1, 2021, regardless of what region the applicant is applying from, until such time all funds are issued, or March 31, 2022, whichever comes first.

All information to be submitted and criteria for awarding rebates will be provided prior to the application period through BCTA’s website and sent directly to those who have successfully completed the Program course.

Applicants must meet the conditions of the letter of commitment to receive payment. The conditions will include purchasing/installing the approved equipment within the specified time period (65 days for retrofits of existing vehicles and 120 days for new vehicle purchases) and sending supporting documents to BCTA to show the purchase and installation has been completed. Only after BCTA has reviewed the supporting documents and the company has met the conditions in the letter of commitment will the Program Incentive commitments be paid out to applicants.

4. CleanBC Heavy-duty Vehicle Efficiency Program Incentives – Qualifying Equipment

The following table lists fuel-efficiency equipment eligible for rebates through the Program Incentives for Year 3’s incentive offering, along with the maximum incentive that can be awarded for each type of equipment. The estimated fuel savings provided are not cumulative, and actual fuel savings from any of qualifying equipment may vary from the estimated amount.

Companies can apply for any combination of the equipment, for any number of vehicles; however, they are not guaranteed to receive any rebates. Subject to availability of funds, the applicant company may receive a rebate that is less than the maximum incentive allowed for each type of equipment.

Type of Equipment	Qualifying Equipment and Maximum Incentive
Wide-based tires (445 or greater)	<ul style="list-style-type: none"> • 445 – up to 30% of the cost of the device and its installation, up to a cap of \$500 per tire to include the cost associated with the purchase of the wheel)
	<ul style="list-style-type: none"> • 455 – up to 50% of the cost of the device and its installation, up to a cap of \$900 per tire to include the cost associated with the purchase of the wheel)
Aerodynamics	<ul style="list-style-type: none"> • Side Skirts (see Image 1, below) – up to 30% of the cost of the device and its installation, up to a cap of \$2,000 per device

² Defined as having applied for, and been approved for funds through the issuance of a Commitment Letter, regardless if they acted on the Commitment Letter or not.

Type of Equipment	Qualifying Equipment and Maximum Incentive
	<ul style="list-style-type: none"> • Boat Tails (see Image 1, below) – up to 30% of the cost of the device and its installation, up to a cap of \$2,000 per device • Trailer top and/or side kit (see Image 2, below) - up to 30% of the cost of the device and its installation, up to a cap of \$2,000 per device • Trailer front fairing (e.g., bubble – see Image 3, below)- up to 30% of the cost of the device and its installation, up to a cap of \$2,000 per device • Full Fairings Wheel to Wheel (see Image 4, below) – up to 50% of the cost of the device and its installation, up to a cap of \$2,000 • Cab roof deflector and/or fairings (see examples in Image 4, 5 and 6 below) - up to 30% of the cost of the device and its installation, up to a cap of \$2,000 per device • Aero bumpers – up to 30% of the cost of the device and it’s installation, up to a cap of \$2,000 per device • Cab side fairing (see Image 4, below) - up to 30% of the cost of the device and its installation, up to a cap of \$2,000 per device • Eco Mud Flaps (see Image 4, below) - up to 50% of the cost of the device and its installation, up to a cap of \$30 per device
Auxiliary power units	<ul style="list-style-type: none"> • Diesel/conventional APU - up to 30% of the cost of the device and its installation, to a cap of \$4,000 per device • Electric APU - up to 50% of the cost of the device and its installation, to a cap of \$6,000 per device • Electric APU paired with solar panel - up to 50% of the cost of the device and its installation, to a cap of \$7,000 per device
Other Anti-idling Devices	<ul style="list-style-type: none"> • Cab Heaters/Coolers - 30% of the cost of the device and its installation, up to a cap of \$1,500 per device • Coolant heaters - 30% of the cost of the device and its installation, up to a cap of \$1,500 per device • Engine Idle Shut Down Timer/Automatic Engine Start/Stop System – up to 50% of the cost of the device and its installation, up to a cap of \$1,250 per device
Engine/fuel modifications	<ul style="list-style-type: none"> • Automated/Automatic Transmission – up to 50% of the cost of the device and its installation, up to a cap of \$1,000 per device

Type of Equipment	Qualifying Equipment and Maximum Incentive
	<ul style="list-style-type: none"> • Predictive Cruise – up to 50% of the cost of the device and its installation, up to a cap of \$1,000 per device • Driver Performance Assistance – up to 50% of the cost of the device and its installation, up to a cap of \$1,000 per device (devices that provide real time and company fuel management tracking for driver coaching purposes) • Hydrogen Fuel Enhancement System – up to 50% of the cost of the device and its installation, up to a cap of \$4,000 per device
Alternative Fuel Commercial Motor Vehicle	<ul style="list-style-type: none"> • New Natural Gas (CNG/LNG) - 30% of the incremental purchase cost compared to an equivalent vehicle, up to a cap of \$15,000 per vehicle • Retrofit Natural Gas (CNG/LNG), Electric, or Hydrogen - 30% of the conversion cost, up to a cap of \$10,000 per vehicle • Dual fuel retrofits of Natural Gas (CNG/LNG), Hydrogen, Electric (including electric drive axles) with Diesel - 30% of the retrofit cost, up to a cap of \$10,000 per vehicle

BCTA will work with Fortis BC to ensure that combined incentives for new natural gas (CNG/LNG) vehicles through this HDVE Program and Fortis’ Program do not exceed 100% of the differential cost of the vehicle and if it does, HDVE Program funding will be reduced accordingly.

BCTA and the Province may, upon mutual agreement, add or remove fuel-efficient technology from the list following the end of Year 3 of the Program on March 31, 2022.

Image 1: Side Skirts and Boat Tails



Image 2: Trailer Top/side Kit



Image 3: Trailer Front Fairing (bubble)



Image 4: Cab roof deflector/fairing, Cab side fairings, Full fairings wheel to wheel, Eco Mud Flaps

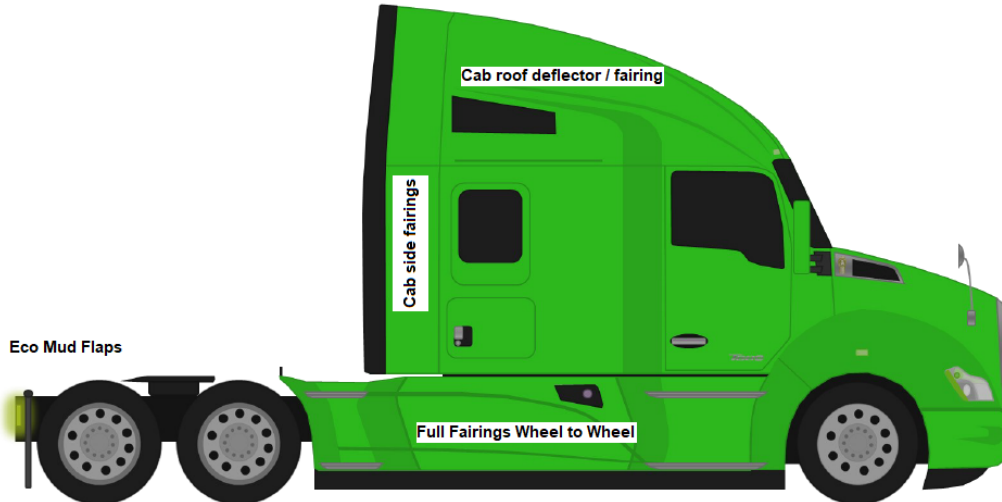


Image 5: Cab Roof Fairing (non-adjustable)



Image 6: Cab Deflector (adjustable)

