
News Release

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SCAG awards \$10 million to help electrify truck fleets and mitigate community impacts of last-mile deliveries

The Southern California Association of Governments (SCAG) is awarding grants totaling \$10 million to support investments in clean-air vehicles that will reduce harmful emissions during last-mile freight operations.

SCAG's Regional Council on November 4 unanimously approved the awarding of funds to 26 projects across the region under Phase 1 of the agency's Last-Mile Freight Program. The program is funded through the Mobile Source Air Pollution Reduction Review Committee (MSRC), that unanimously approved the awarding of the funds Thursday (November 18), and is designed to encourage investment in zero- and near-zero emission trucks and other technologies that will support the region's clean-air goals.

The awardees range from a number of small, independent truck owner-operators to larger fleet operations. Among the latter, Quality Custom Distribution is receiving the largest award – \$4.184 million – to replace 30 heavy-duty diesel trucks with electric vehicles, install 16 fast chargers and build a microgrid that will manage charging during peak and non-peak hours.

"These projects are a critical early step in our efforts to mitigate the air-quality impacts from last-mile deliveries in one of the busiest good movement corridors in the United States. The surge in e-commerce since the start of the pandemic has put an even sharper focus on the need to develop and implement innovative clean-air technologies within our commercial truck fleets," said Clint Lorimore, SCAG's President and an Eastvale City Councilmember.

SCAG received 40 applications after its Call for Projects was opened in May of this year. A panel of representatives from SCAG, the California Energy Commission and the California Air Resources Board then ranked the projects based on Last-Mile Freight Program guidelines.

In addition to Quality Custom Distribution, major awardees include Heritage Environmental Services LLC (\$2.1 million), which will partner with Lion Electric to buy three zero-emission vehicles and install five chargers; and WattEV (\$1.689 million), which will buy 20 electric trucks as part of its Truck as a Service (TaaS) business model which provides charging access at a fixed cost based on daily usage, miles driven or scheduled routes. Total Transportation Services Inc. and Penske Truck Leasing are partners on the WattEV program.

Projects not selected for funding in Phase 1 were placed on a contingency list for possible future awards.

The November 4 action by the Regional Council is part of a multi-year effort by SCAG to address the community impacts of increased truck deliveries. In 2020, SCAG released results of a Last-Mile Freight Study, which projected that the parcel delivery market will double by 2025.

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About SCAG

SCAG is the nation's largest metropolitan planning organization, representing six counties, 191 cities and more than 19 million residents. SCAG undertakes a variety of planning and policy initiatives to plan for a livable and sustainable Southern California now and in the future. For more information about SCAG's regional efforts, please visit www.scag.ca.gov.