Guidelines for On-Road Heavy-Duty Trucks

Board Hearing
July 24, 2014
California Air Resources Board

Moyer Program Overview

- Partnership between ARB and local air districts
  - ARB maintains guidelines and procedures
  - Air Districts retain project funding discretion
- Eligible project types
  - On-road
  - Off-road
  - Marine
  - Locomotive
  - Lawn and Garden
- Continually updated to meet air districts' needs

Moyer Guidelines Update Process

- Not subject to regulatory approval process
- Authority to update Guidelines delegated to Executive Officer
- Health and Safety Code 44287 requires
  - At least one public meeting
  - Language available for a 45-day comment period
    - Notice posted June 6 (closed July 21)
    - Proposed language posted July 8 (closes August 22)
- Staff will continue to receive comments after hearing and consider based on Board direction

Current Moyer Heavy-Duty Truck Funding Opportunities

Voucher Incentive Program (VIP)

- First-come/first-served streamlined process for replacements & retrofits
- Addresses most common circumstances

Fleet Modernization (Fleet Mod)

- Contracts for replacements only
- More extensive process that enables consideration of less common circumstances

Coordinated with the other programs

- Prop 1B

Current Eligibility Requirements

- Fleet with 10 or less vehicles
- Gross vehicle weight rating (GVWR) > 19,500 pounds
- Model year 2006 or older engine (2002 for Fleet Mod)
- Minimum 75 percent California usage
- Minimum period of surplus emissions reductions
  - 2 years for fleets with 1-3 vehicles
  - 3 years for fleets with 4-10 vehicles

Guidelines Changes Needed to Align with Truck and Bus Amendments

- Truck and Bus Amendments extended compliance deadlines
  - Intended to expand funding eligibility
- Board directed staff to prioritize funds toward small fleets

Proposal: Limit Eligibility to Fleets of 1-3

- Prioritizes small fleets
- Consistent with Truck and Bus definition
- Keeps streamlined first-come first-served process
- Monitor and allow for greater fleet size eligibility based on participation

Proposal: Allow 1 Year of Surplus Emissions Reductions

- Reduces how early a fleet must act ahead of deadline
- Extends timeframe for fleets to apply for funding
- Provides opportunity to qualify for retrofit funding
- Projects still must meet cost-effectiveness limits

Proposal: Allow Funding of Light Heavy-Duty Trucks

- Changes current Moyer requirement (GVWR > 19,500 pounds) to match Truck and Bus Regulation (GVWR > 14,000 pounds)
- Provides opportunities for trucks not previously eligible for funding

Proposal: Reduce Minimum California Usage to 51 Percent for Fleet Modernization Projects

- Expands opportunities for California registered fleets that do more interstate travel
- Still pays only for emissions reductions in California
- Would apply to Fleet Mod, but not VIP

Other Modifications

- Clarify vehicle GVWR must be within 10 percent of engine certified service class
- Cap replacement funding at 80 percent of vehicle cost
- Allow Truck and Bus Reporting system certificate to establish compliance

Staff Recommends Approving Proposed Amendments

- Prioritize funding for small fleets
- Complement recent Truck and Bus amendments by expanding funding opportunities
- Expand number of eligible fleets
- Clarify implementation procedures