

# Public Meeting to Consider Proposed Revisions to the Carl Moyer Program Guidelines

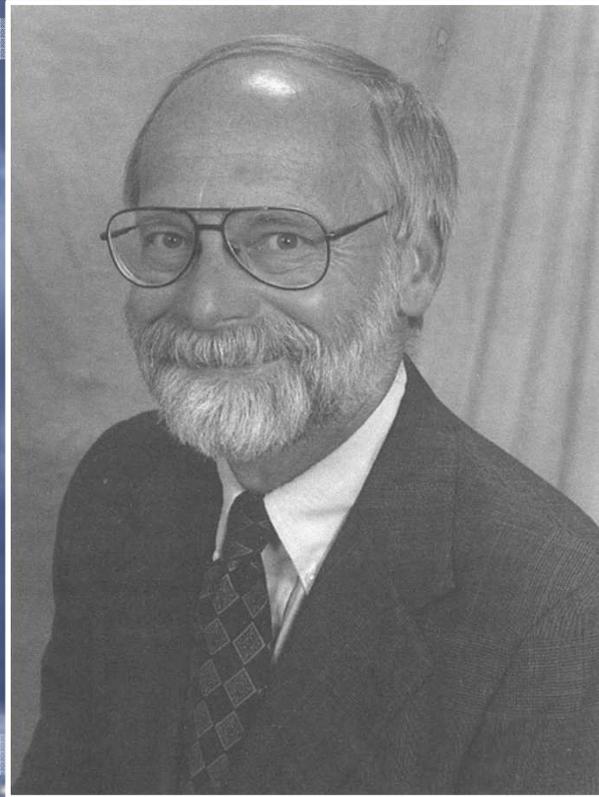


California Environmental Protection Agency

 **Air Resources Board**

April 28, 2011

# Dr. Carl Moyer



**1937 - 1997**

# History of the Carl Moyer Program

*Established in 1998 to help improve air quality in California*

- Provides funding for cleaner technology
- Reduces emissions above and beyond regulations
- Complements, not replaces, regulations

*Health & Safety Code Requirements*

- Achieve surplus emission reductions of Reactive Organic Gases (ROG), Oxides of Nitrogen (NO<sub>x</sub>) and Particulate Matter (PM)

# Air District Partners are Key to Success

## Air District Implementation

- Outreach: find good projects
- Application review and approval
- Project enforcement
- Dealer training

# Moyer Funds Spent on Cleaner Engines Have Substantially Reduced Emissions



Over \$680M in State funds provided



Cost-effectiveness of \$9,000/ton

# Moyer Has Funded Over 24,000 Cleaner Engines since 1998



*Heavy-Duty On-Road: 4,500*

*Off-Road: 1,900*

*Marine: 800*

*Agricultural Sources: 5,500*

*Locomotives: 130*

*Light-Duty On-Road: 11,000*

# The Moyer Program Benefits to Public Health

About 100,000 fewer tons of Ozone precursors

About 6,000 fewer tons of toxic PM

~90 premature deaths avoided per program year

# The Moyer Program Provides Additional Economic Benefits



**\$30 benefit for every \$1 spent\***

**Reduced health-related costs**



**Fewer lost work days and missed school days**

\* "The Benefits and Costs of the Clean Air Act: 1990 – 2020" (USEPA, March 1, 2011) 8

# The Moyer Program Supports Green Business Development



**Encourages  
investments in  
research and  
development**



**Accelerates cleaner  
technologies**

# The Moyer Program Benefits Participants in Many Ways

## Safety

- Newer, safer vehicles and equipment

## Reliability

- Higher reliability = Lower maintenance costs

## Strength

- Increase net worth of businesses
- Greater stability in a changing economy

# The Moyer Program is the Foundation of Other Incentive Programs

One of the First  
Incentive-Based Programs

Lower-Emission School Bus  
Program

Proposition 1B: Goods Movement  
Emission Reduction Program

Air Quality Improvement Program (AQIP)

# Program Revisions Since the Last Board Hearing

Expanded funding opportunities for on-road and off-road fleets

Simplified administrative requirements for air districts and applicants

Addressed fleets struggling as a result of the recession

# Why Further Revisions are Needed

Reduced number of eligible projects

New and updated regulations

Downturn in the economy

Respond to stakeholder participation and feedback

Develop new funding opportunities

Streamline implementation

# Revised Surplus Methodology Expands Funding Opportunities

Revised  
baseline  
used to  
determine  
surplus  
emissions

- Current Baseline:  
Regulatory Emission  
Benefit Analysis
- Proposed Baseline:  
Regulatory Requirements  
and Compliance Dates

# Proposal Will Give On-Road Fleets More Opportunities



**Extend  
Funding**

**Current: funding  
through 2011**

**Proposed: funding  
through 2021**

**Fleet  
Size**

**Increase from 3  
vehicles to 10**

**Retrofits**

**Expand from MY 2004-  
2006 to MY 1994-2006**

# Proposal Will Give Off-Road Mobile More Opportunities

Extended Funding

- Current: funding through 2015
- Proposed: funding through 2025

Minimum Project Life

- Small Fleets: Reduced from 3 years to 2 years



# Proposal Gives More Opportunities for Agricultural Sources



## Extended Funding

- Increased available funding for surplus portable engines
- No limitation for unregulated fleets

## Local Rules

- Agricultural source eligibility

# Proposal Will Give Marine Sources More Opportunities

Extend Shore Power Funding

- Considered surplus with documented compliance

Eligible Cost

- Clarified shore power criteria

Equipment Type

- Allow non-road engines for auxiliary repowers



# Proposal Will Add Opportunities for Other Categories

Expand opportunities by utilizing Federal Surface Transportation Board definitions for classifications

Increased weight ceiling from 8,500 pounds to 10,000 pounds (Aligns with BAR program)



# Improvements in Program Administration

## Partnerships with Air Districts

- Continue to streamline and simplify

## Project Support

- Flexibility for participants



# **New Funding Opportunities**

# New Off-Road Voucher Incentive Program

Uses Existing On-Road VIP as Model

Small and Medium Fleets Eligible

Project Types

Agricultural  
tractors

Construction  
tractors,  
loaders and  
backhoes

Eligibility

Horsepower  
range:  
25-175

Equipment  
only;  
retrofits in the  
future

# Other New Categories for Funding

Emergency  
Vehicles



Lawn and  
Garden  
Equipment



# Concepts Not Incorporated in Today's Proposals

Merging components of base program and Voucher Incentive Program

Extend shore side shore power eligibility beyond 2014

Increase Off-Road VIP funding levels

Change definition of public funds for cost-effectiveness calculation

Offer more funding opportunities for trucks used in dray-off activities

# Overview of Today's Proposed Revisions



Open Up Funding  
Opportunities



Maximize Limited Funding  
and Resources



Continue to Adjust as  
Necessary

# Staff Recommendation

**Approve Resolution and  
2011 Carl Moyer Program  
Guidelines**

**Including staff's  
suggested  
changes**

**Reaffirm  
Executive Officer  
authority to  
make changes**