

AB 118: Air Quality Improvement Program (AQIP)

Public Workshop
Sacramento, CA
January 23, 2013



1

Presentation Outline

- Overview of AQIP
- Update on AQIP implementation
- Status of other AB 118 programs
- FY 2013-14 AQIP Funding Plan development
- Comments and discussion

2

Overview of AQIP

3

AQIP Background

- Created by Assembly Bill 118 (2007)

<p>ARB Air Quality Improvement Program (AQIP) \$35 million Criteria pollutants, toxics, and GHGs</p>	<p>CEC Alternative and Renewable Fuel and Vehicle Technology Program \$100 million GHGs</p>	<p>BAR Enhanced Fleet Modernization Program \$30 million Criteria pollutants, toxics, and GHGs</p>
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- Revenue sources sunset in 2015

4

AQIP Background Cont.

- Funds mobile source technology advancement
- Complements other ARB incentive programs focused on near-term reductions
 - Carl Moyer Program
 - Goods Movement
 - Lower Emission School Bus



Eligible Project Types

- On- and off-road equipment
- Off-road gasoline emission mitigation
- Research air quality impacts of alternative fuels
- University of California biofuels/biomass research
- Lawn and garden equipment replacement
- Medium- and heavy-duty vehicle/equipment
- Workforce training related to advanced technology
- Light-duty vehicle emission reductions

6

AQIP Funding Plan

- Staff develops proposed plan reflecting:
 - Public input
 - Guiding principles
 - Current ARB priorities
 - Coordination with CEC AB 118 Program
- Plan establishes project categories, funding targets, contingency provisions
- Board approves Funding Plan

7

Approved Guiding Principles

- Focus on longer-term, post-2020 SIP goals
- Prioritize underfunded project types
- Investments in two project types:
 - Vehicle/equipment deployment
 - Demonstration of technologies near commercialization

8

Implementation Update

9

Project Funding FY's 2009-2013

Project	FYs 2009-13
Hybrid and Zero Emission Truck & Bus Vouchers	\$64.4M
Clean Vehicle Rebates	\$49.7M
Advanced Demonstrations and Hybrid Truck Testing	\$7.3M
Lawn & Garden Equip. Replacement (FY 2009-11)	\$2.6M
Off-Road Hybrid Pilot (FY 2010-11)	\$2M
Zero-Emission Agricultural Work Vehicles (FY 2009-10)	\$1.1M
Total Funding	~\$126M*

*Includes \$10.5M from CEC for zero-emission trucks and clean vehicles 10



Hybrid and Zero Emission Truck & Bus Voucher Incentive Project (HVIP)

- Consumer vouchers for about ½ incremental cost
- About 50 percent of AQIP funds
- Administered by CALSTART
- Program changes spurring interest
- Potential funding adjustments

11

HVIP Vouchers Issued (through December 31, 2012)

Vehicle Vocation	# Vehicles	Funds Spent
Beverage Delivery	400	\$13,295,000
Parcel Delivery	377	\$11,006,000
Other Truck	149	\$3,184,000
Food Distribution	141	\$4,965,000
Uniform and Linen Delivery	118	\$3,245,000
School, Shuttle or Urban Bus	28	\$831,776
LP Pick-up & Delivery	22	\$570,000
Refuse Hauler	12	\$425,000
TOTAL	1,247	\$37,521,776

12



Clean Vehicle Rebate Project (CVRP)

- Rebates for CA consumers
- Administered by the California Center for Sustainable Energy
- Accelerate acceptance of the cleanest vehicles available
- Demand for funding continues to grow

13

CVRP Rebates Issued to Date *(as of December 31, 2012)*

Vehicle Type	# Vehicles	Funds Spent
Zero Emission Vehicles (ZEVs)	8305	\$24,805,000
Plug-in Hybrid Electric Vehicles (PHEVs)	7489	\$11,220,000
Zero Emission Motorcycles (ZEMs)	121	\$135,000
Neighborhood Electric Vehicles (NEVs)	87	\$97,000
Commercial ZEVs*	49	\$980,000
Total	16,051	\$37M

* Part of HVIP as of FY 10-11

14



Advanced Technology Demonstrations

- 12 projects ongoing
 - 4 locomotive projects
 - 3 marine vessel
 - 3 commercial lawn and garden equipment
 - 2 zero-emission school bus demonstrations
- Hybrid truck testing
- FY 2012-13 - ~ \$2 million in funding

15

Status of the Other AQIP Projects

Project	FY's 2009-11
Lawn & Garden Equip. Replacement	12,000 mowers replaced
Zero-Emission Ag Utility Vehicles	Project closed; 56 rebates issued
Off-Road Hybrid Pilot	16 vouchers issued; project ongoing

Note: these projects were not funded in FY 2011-12, or FY 12-13. 16

Status of CEC AB 118 Program

- Complements ARB AQIP projects
- Related projects- charging infrastructure, alt. fuel vehicles, manufacturing
- More than \$350 million invested
- Ongoing solicitations to award remaining funds
- Strong partnership between agencies

17

Truck Loans FY 2008-09 AQIP Funds

- \$35M allocated to truck loans
- Loan assistance program (PLACE) ongoing
 - Targets small-business trucks owners
 - Fleets ≤40 vehicles
 - Loans accessed through participating lenders
- About 2,200 loans issued; 2,600 clean trucks
- About \$141 million in financing provided
- For more information and participating lender list: <http://www.arb.ca.gov/ba/loan/on-road/on-road.htm>

18

FY 2013-14 Funding Plan

19

Key Concepts

- Estimate available funding
 - \$30 million or less for FYs 2009-13
- Establish funding targets
- Use approved guiding principles
- Fund existing project categories
- Request public input on potential new funding categories

20

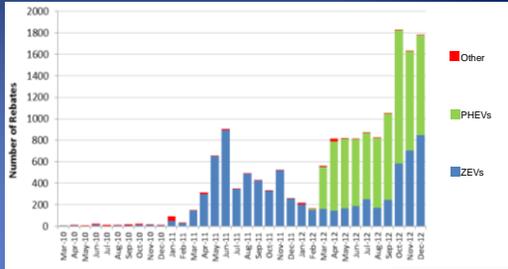
Hybrid and Zero Emission Truck & Bus Voucher Incentive Project

- Remain a key AQIP investment
- Project adjustments showing promise
- New vehicles coming to market
- Continue to monitor need, other necessary program refinements

21

Clean Vehicle Rebate Project

- Continued increases in rebate demand



22

Clean Vehicle Rebate Project

- Demand is strong and growing
- Evaluate project criteria
 - Eligible vehicles
 - Public fleets
 - Regional targets
 - Other ideas?
- Expand market of consumers/communities
- Ownership/Lease Requirement

23

Funding for Other AQIP Projects

Project	Future needs
Advanced Demonstrations	Continue current funding levels
Off-Road Hybrid Pilot	Technology evaluation phase; additional funding needs tbd
Loan Assistance Program	Funding evaluation needed

- Other project categories?

24

AQIP Development Schedule

Milestone	Date
Category-specific workgroup meetings	Feb-March 2013
2 nd public workshop	April 2013
Release proposed FY 2013-14 AQIP Funding Plan	May 2013
Board hearing	June 2013
FY 2013-14 project solicitations	Begin Summer 2013

25

Information Sources

AQIP website
www.arb.ca.gov/msprog/aqip/aqip.htm

CEC AB 118 website
www.energy.ca.gov/altfuels/index.html

26

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27

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28

Comments and Discussion

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29
