



# CARL MOYER PROGRAM

**Proposed Guidelines Revisions to Provide  
Additional Funding Opportunities to Fleets  
Subject to the Truck and Bus Rule**

**May 2, 2014  
1:00 pm–3:00 p.m.**



**Air Resources Board**

**California Environmental Protection Agency**

# Carl Moyer Program

- ▶ Carl Moyer Program (began 1998)
  - Purpose: Produce creditable emission reductions for the State Implementation Plan (SIP) and toxics reductions, primarily from diesel engine sources
- ▶ Funding sources:
  - Tire replacement and vehicle registration (smog abatement) fees
- ▶ Current funding level approximately \$69M with \$12M District match

# Carl Moyer Program Overview

- ▶ Partnership between Air Resources Board (ARB) and Local Air Districts
- ▶ Grants pay the incremental cost of cleaner technology subject to a cost-effectiveness limit
- ▶ Produce emissions reductions that are early or surplus to regulation and would not otherwise occur
- ▶ Emissions reductions must be SIP creditable

# Truck and Bus Regulation Amendments

- ▶ Adopted on April 25, 2014
- ▶ Allow for expanded funding opportunities
- ▶ Guidelines changes necessary to expand opportunities in Carl Moyer Program
- ▶ Proposed revisions accomplish this goal

# Moyer On-Road Options

- ▶ Voucher Incentive Program (VIP)
  - Most common
- ▶ Fleet Modernization
  - Scrap required
- ▶ Retrofits
- ▶ New Purchases
  - Scrap NOT required
  - Low NOx cert. engine required

# Current Eligibility Requirements

- ▶ Fleet size 10 or less
- ▶ Model year (MY) 2002 & older engine
- ▶ Gross vehicle weight rating (GVWR) > 19,500 lbs
- ▶ Minimum surplus
  - 2 years (Fleets with 1–3 trucks)
  - 3 years (Fleets with 4–10 trucks)
- ▶ Minimum 75 percent CA usage

# Voucher Incentive Program Revisions

- ▶ Focus on small fleets
  - 1–3 trucks per fleet
- ▶ Reduce surplus period to one year
- ▶ Expand to include lighter trucks
  - 14,001–19,500 lbs GVWR

# Revisions to Fleet Modernization and Retrofit Programs

- ▶ Focus on small fleets
  - 1–3 trucks
- ▶ Reduce surplus period to one year
- ▶ Expand to include lighter trucks
  - 14,001–19,500 GVWR
- ▶ Require minimum 51% usage in California
- ▶ Allow replacement of MY2006 & older
  - Aligns with VIP

# Clarifications

- ▶ Specify applicable compliance deadlines in VIP tables
- ▶ Specify compliance check procedures and documentation requirements
- ▶ Document source of emission factors
- ▶ Specify maximum funding amounts relative to vehicle cost
- ▶ Clarify eligible engine/vehicle replacements

# Impact of Proposed Revisions

Eligible for retrofit or increased replacement funding

- NOx Exempt Areas
- Small Fleet Extension
- Low-Use Work Trucks
- Denied Loans
- Extended Credits
- Low-Use Trucks

Eligible for increased replacement funding

- Low-Use Agriculture Trucks

# Potential Funding Levels

- ▶ Funding levels dependent on many factors
  - Difference between replacement and current vehicle
  - Miles driven per year
  - Surplus period
- ▶ Replacement funding: up to \$45,000
  - Average has been \$35,000 for 2 year surplus period
- ▶ Retrofit funding: up to \$10,000

# Expanded PM Schedule *Example*

## Small Fleet by 2018

Baseline Vehicle = HHDT MY1993

Usage = 40,000 miles

Replacement Vehicle = new 0.2g/bhp-hr NOx

	Prior to Amendments	After Amendments
Compliance due	Jan 1, 2015	Jan 1, 2017
Truck delivered Dec 31, 2014	\$25,000	\$35,000
Truck delivered Dec 31, 2015	\$0	\$30,000

# Additional Ideas for Discussion

- ▶ Prioritize funding to first time grantees
  - Limit eligibility to those who have not received prior funding, or
  - Reduce funding amounts to prior recipients
- ▶ Fund large fleets that upgrade to ARB certified low-NOx engines
- ▶ Reduce surplus period to one year for all categories
- ▶ Require 51% minimum usage in California for all categories

# Proposal Summary

- ▶ Affects On-Road Programs
  - Chapters 4, 5, and VIP
- ▶ Expands funding opportunities created by Truck and Bus regulation amendments
- ▶ Clarifies eligibility and funding determinations

# Schedule

- ▶ June 6, 2014  
Release proposed changes for 45-day public comment period
- ▶ July 24, 2014  
Board hearing
- ▶ Early August  
Release approved Guidelines changes

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# Carl Moyer Program Questions and Comments

*moving us toward cleaner air*

