

Carl Moyer Off-Road Fleet Modernization Workgroup
(Equipment Replacement)
Attachment

April 20, 2007

For this initial discussion, ARB staff has developed a list of possible components based on the principles in the On-Road Fleet Modernization Program. The On-Road Fleet Modernization Program was approved by the Air Resources Board in November 2005 (2005 Carl Moyer Program Guidelines). These components are meant as a starting point, not defined concepts. Some components may be changed, expanded, or eliminated, while other new components may be added during the course of workgroup discussions.

Possible Components of Off-Road Fleet Modernization Program

1. Old Equipment Eligibility & Requirements
 - a. What type of equipment should be eligible?
 - b. How could the operating condition of the old equipment be determined?
There is no statewide inspection program for off-road equipment like there is for on-road (California Highway Patrol's Biennial Inspection of Terminals).
 - c. Should there be a minimum age for old equipment?
 - d. What length of ownership and period of California (CA) residency should qualify equipment for this program?
 - e. How could an applicant prove that old equipment was used in CA?
 - f. How could the usage of old equipment be established?
2. Replacement Equipment Eligibility & Requirements
 - a. What type of equipment should be eligible?
 - b. Should both new and used equipment be eligible as replacement equipment?
 - c. Should retrofits be required on replacement equipment where applicable?
 - d. What insurance should be required for replacement equipment?
3. Cost-Effectiveness Calculations
 - a. Since a replacement piece of equipment is used more than the old one, how should the emission reduction benefits be determined?
4. Vocation
 - a. The on-road fleet modernization program requires the vehicles being replaced and the replacement vehicles to perform the same type of work. Is the same requirement necessary?
5. Project Life
 - a. As project life is based on the remaining useful life of the old equipment, how can the remaining life be determined?
 - b. Should different off-road sectors have different project lives?

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6. Horsepower
 - a. Should the program be limited to certain horsepower (hp) ranges?
 - b. How much can the hp vary between the old and replacement equipment?
7. Salvage Requirement & Residual Value
 - a. How should old equipment be destroyed?
 - b. Should the program reimburse for the salvage value of the old equipment?
8. Monitoring
 - a. What type of monitoring should be required to prove that the replacement equipment will continue to operate in CA?
 - b. Who should do the monitoring?
9. Funding Amount
 - a. Should new and used replacement equipment qualify for the same funding amount?
 - b. Should there be a maximum funding for each piece of equipment?
 - c. Should there be a maximum funding for one company?
 - d. How should financed equipment be handled?
10. Enforcement
 - a. What special considerations should districts consider when implementing and enforcing an off-road fleet mod program?
 - b. What conditions should trigger districts to recover funds?
11. Other Components? Comments?
 - a. Are there industry-specific issues that would require different criteria for some of these components?