

# December Workshops on Revising The Carl Moyer Program

El Monte: December 14, 2009

Fresno: December 15, 2009

Sacramento: December 17, 2009

On-Road Controls Branch  
Mobile Source Control Division



CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY



Air Resources Board

# Agenda

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- ◆ Welcome and Introductions
- ◆ Purpose of These Workshops
- ◆ Carl Moyer Program Background
  - ◆ Current CMP Implementation
- ◆ How Will Retooling Occur?
- ◆ Timeline
- ◆ Review Near-Term Revisions
- ◆ Update on Long-Term Revisions
- ◆ Open Discussion

# Purpose of These Workshops

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- ◆ Discuss Proposed Near-Term Revisions
- ◆ Open Discussion for Potential Long-Term Revisions
- ◆ Strive to Ensure Future Success

# Background: The Carl Moyer Program (CMP)

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## Objectives

- ◆ Improve air quality
- ◆ Complement, **not replace**, regulations
- ◆ Fund emission reductions by introducing low-emission technologies
- ◆ Keep to Health & Safety Code Requirements
  - ◆ Covered pollutants – ROG, NOx & PM
  - ◆ Eligible projects
  - ◆ Cost-effectiveness limit

# Why Are We Retooling the Carl Moyer Program?

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- ◆ Ensure emission reductions continue to be achieved efficiently using public funds
- ◆ Decrease in projects eligible under current CMP Guidelines
  - ◆ Newly adopted regulations
  - ◆ Stakeholder feedback
  - ◆ Changes in the economy

# Current CMP Implementation

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- ◆ ARB-district Partnership
  - ◆ ARB develops and adopts Guidelines
  - ◆ Districts retain flexibility in implementation
- ◆ Local District Programs
  - ◆ Varied processes for allocating funds
    - RFP, first come-first served
  - ◆ Emphasis on different project types based on local priorities
- ◆ ARB Multi-district Grants
  - ◆ Currently allocated to VIP projects

# How will Retooling Occur?

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- ◆ Provide ideas and information
- ◆ Workshops and working groups
- ◆ Ensure stakeholders opportunities to participate in revision process
- ◆ Take proposed revisions to the Board in two phases



# Tentative Timeline

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- ◆ Workshops
  - ◆ October 2009
  - ◆ December 2009
- ◆ Near-Term Revisions
  - ◆ February 2010 Proposed Changes
  - ◆ Board Meeting: March 25<sup>th</sup>, 2010 (Location TBD)
- ◆ Workshops
  - ◆ March 2010
  - ◆ June 2010
- ◆ Long-Term Revisions
  - ◆ September 2010 Proposed Changes
  - ◆ Board Meeting: October 21<sup>st</sup>, 2010 (Location TBD)

# Proposed Near-Term Revisions to the CMP

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- ◆ Adhere to Health & Safety Code (H&SC) requirements
- ◆ Maintain Program Integrity
- ◆ Enhance Transparency
- ◆ Avoid Disruption of Current Implementation
- ◆ Increase Program Efficiency
  - ◆ Streamline requirements where feasible
  - ◆ Allow for flexibility where feasible
  - ◆ Consider risk vs reward & Balance flexibility vs intricacy
  - ◆ Consider resource requirements of large / medium / rural districts

# Proposed Near-Term Revisions Affected Programs

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- ◆ On-Road Program
- ◆ Off-Road Program
- ◆ Locomotive Program
- ◆ Administration Requirements

*See Handouts*



# Proposed Near-Term Revisions: On-Road Programs

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- ◆ Voucher Incentive Program (VIP)
  - ◆ Open program to Medium Heavy Duty Vehicles (GVWR > 19,500 lbs.)
  - ◆ Allow funding scaled to usage
  - ◆ Increase max funding to \$45,000
  - ◆ Other minor changes to the VIP guidelines
  - ◆ Increase eligibility of old engine model years from 1993 to 2002
- ◆ Fleet Modernization
  - ◆ Increase eligibility of old engine model years from 1993 to 2002

# Proposed Near-Term Revisions: Off-Road Programs

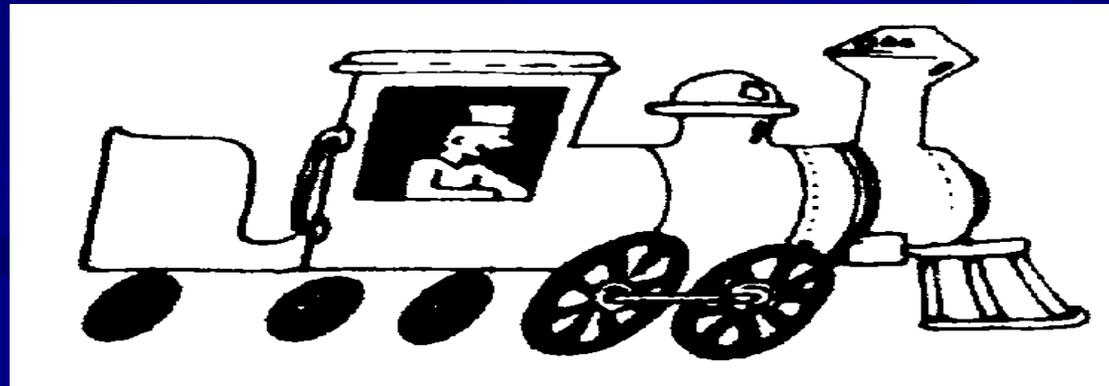
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- ◆ Continued flexibility with retrofit waiver for equipment not subject to regulation
- ◆ Expand old engine eligibility in the Equipment Replacement Program (ERP) to include Tier 1 & 2 engines
- ◆ Update criteria to include SBX2\_3 (Florez) for farm equipment
  - ◆ LSI, Off-road Diesel, Off-Road Equipment Replacement, and Portable Agricultural Sources

# Proposed Near-Term Revisions: Locomotives Program

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- ◆ Update Fuel Consumption Rate Factors
- ◆ Correct Example Calculation
  - ◆ Improved methodology for estimating fuel consumption
- ◆ Allow Case-by-Case Determination for Non-Fuel Based Activity



# Proposed Near-Term Revisions: Administrative Requirements

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- ◆ Increase cost-effectiveness limit
  - ◆ \$16,000 to \$16,500 / weighted ton
- ◆ Reduce CRF 4% to 3%
  - ◆ Lowers annualized cost for projects
- ◆ Eliminate Requirement to Submit Policies & Procedures

# Proposed Near-Term Revisions: Streamline Disbursements

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- ◆ Distribute all administrative funds up front
- ◆ Allow full disbursements for minimum allocation districts
- ◆ Set initial disbursements for all districts at \$200,000 or 10%, whichever is greater
- ◆ Simplify subsequent disbursement process

# Proposed Near-Term Revisions: Simplify Match & Interest

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- ◆ Set firm match requirement at 15% of total State funds received
- ◆ Eliminate match waiver requirement for all minimum allocation districts
- ◆ Roll interest funds into following years funding cycle



# Proposed Near-Term Revisions: Reporting Requirements

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- ◆ Combine Status, Annual, and Final Report into single Yearly Report
  - ◆ Mail-out MSC 09-05 Language
- ◆ Track Cumulative Progress Periodically Through Questionnaire and CARL

# Proposed Near-Term Revisions: Minimum Allocation & Rural Districts

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- ◆ Remove Application Tracking Requirement for Minimum Allocation & Rural districts
- ◆ Reduce Pre-inspection Requirements for Minimum Allocation & Rural Districts from 100% to 25%



# Goals of Long-Term Revisions

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- ◆ Continue Efforts to Streamline Administrative Requirements
- ◆ Increase Flexibility for Currently Funded Source Categories
- ◆ Add New Source Categories If Possible

# Potential Ideas for Long-Term Revision

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- ◆ Existing Categories:
  - ◆ Adopt VIP–like structure to more categories
  - ◆ Consider light-duty and medium-duty programs
  - ◆ Expand car scrap program
- ◆ New Source Categories:
  - ◆ Emergency equipment (on-road and off-road)
  - ◆ Lawn and garden equipment
  - ◆ Demonstration projects

# Contacts

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- ◆ Retooling Homepage:  
<http://www.arb.ca.gov/msprog/moyer/retooling.htm>
- ◆ Submit comments to: [cmretool@arb.ca.gov](mailto:cmretool@arb.ca.gov)
- ◆ Duong Trinh, Lead Staff  
Administrative Requirements  
(626) 350-6560 or [dtrinh@arb.ca.gov](mailto:dtrinh@arb.ca.gov)
- ◆ Sam Gregor, Lead Staff  
Source Categories  
(916) 323-0005 or [sgregor@arb.ca.gov](mailto:sgregor@arb.ca.gov)

# Additional Information

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- ◆ For more information on the Carl Moyer Program:
  - ◆ <http://www.arb.ca.gov/msprog/moyer/moyer.htm>
- ◆ For more information on diesel regulations and funding programs:
  - ◆ <http://www.arb.ca.gov/truckstop>
  - ◆ 866-6DIESEL (866-634-3735)
  - ◆ E-mail to [8666diesel@arb.ca.gov](mailto:8666diesel@arb.ca.gov)

# Open Discussion

