

# AQMD's Incentive Programs



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# AQMD's Incentive Programs

- Carl Moyer Program
- Lower-Emission School Bus Program
- Proposition 1B – Goods Movement Program
- Air Quality Investment Program (AQIP)

# AQMD's Share of Funds

- AQMD's incentive program funding is mainly generated from SB 1107 & AB 923

	<u>Annual</u>
SB 1107	\$23.8M
AB 923 (\$2 DMV Fee)	\$22M
AB 923 (Tire Fee)	<u>\$10M</u>
Total	\$55.8M

- Funds are mainly used to fund the Carl Moyer and the Lower-Emission School Bus Program

# Carl Moyer Program under SB 1107 & AB 923

- Heavy-duty projects that achieve emission reductions earlier than required by adopted regulations
- Cost effectiveness calculated for NO<sub>x</sub>, PM, & HC combined, limit raised to \$16,400/ton
- New guideline proposals will be heard by CARB in April 2011

# Equipment

- Marine Vessel Engines
- Locomotives (LNG and Hybrid)
- Construction Equipment
- Heavy-Duty Trucks (new & retrofits)
- Forklifts
- Auxiliary Engines
- Truck Stop Electrification
- Transit Buses
- School Buses



# Program Status

- Approximately \$259M spent/obligated through Year 12
- Over 8,000 engines and equipment have been funded
- Overall program cost-effectiveness is about \$6,000 per ton

# Years 13 Update

- Solicitation: - to open on March 4, 2011  
- to close on June 7, 2011
- About \$25M will be available in state and local match funds
- CARB Board to adopt changes to the guidelines in late April 2011
- Applicants will be allowed to take advantage of CARB's guideline changes during AQMD's solicitation period

# Voucher Incentive Program (VIP)

- Limited to owners/operators with fleets of 3 or fewer vehicles
- At least 75% operation in CA
- First-come, first-served basis
- Retrofits: \$5K to \$10K available per truck
- Replacements: Up to \$45K available per truck
- Dealerships, dismantlers, retrofit installers, and applicants subject to specific program requirements outlined in the VIP Guidelines
- About 35 trucks have been funded to date





# Lower-Emission School Bus Program Status

- From 2001 through 2008, AQMD awarded \$106M for replacement & retrofit of school buses to:
  - Replace 621 pre-1987 school buses with 535 CNG and 86 lower-emitting diesel buses
  - Retrofit 2,777 model year 1994 and newer school buses with particulate traps

# Lower-Emission School Bus Program

- Only public school districts qualify for school bus replacements
  - School pays \$25K as local match and AQMD pays the balance for a new CNG bus
  - AQMD also pays funds equal to ten percent of its bus replacement contribution for infrastructure
- Both public school districts and private operators qualify for school bus retrofits
  - AQMD pays for the unit cost, installation, and maintenance cost of the retrofit system

# School Bus Program under Proposition 1B

- Since 2009, CARB has allocated \$71M to AQMD under the Proposition 1B-School Bus Program
- Funds have been used to:
  - replace 400 pre-1987 school buses with new alternative fuel buses
  - retrofit 717 post-1993 model year school buses with particulate traps
- The School Bus Program will continue to be funded with AB 923 funds

# Proposition 1B

## Goods Movement Program

- Proposition 1B approved by voters in November 2006
  - \$1 billion for projects involved in movement of freight along California's trade corridors
  - Funding available over 4 year period
  - 55% allocated to LA/Inland region
- Authorizing Legislations
  - Senate Bill 88
  - Assembly Bill 201



# “Year 1” Proposition 1B Goods Movement Program

- Early Grant
  - AQMD funded the deployment of 132 LNG and 131 new diesel trucks for \$18.4M
  - Funding sources included Prop 1B, and additional funds from EPA and Clean Fuels for the LNG trucks
- “Year 1”
  - AQMD Board agreed to administer funds originally awarded to the Ports in the amount of \$90M
  - LNG trucks received additional incentive with contributions from the AQMD and the Ports
  - Incentive funding was \$50K per diesel truck and \$100K per LNG truck

# “Year 1” Proposition 1B Program Summary

Grant Type	Funding Amount	No. of Equipment
Drayage Trucks	\$72.8M	1,464 trucks*
Other Trucks	\$50.2M	1,001 Trucks 24 Retrofits 1 Truck Stop Electrification
Intermodal Facilities Trucks	\$2.5M	50 Trucks 2 Retrofits
Locomotives	\$3.0M	4 Locomotives
<b>Total</b>	<b>\$128.5M</b>	<b>2,515 Trucks</b> <b>26 Retrofits</b> <b>1 Truck Stop Electrification</b> <b>4 Locomotives</b>

\*559 of the drayage trucks are LNG with additional \$26.6M from the AQMD and the Ports

# “Year 2” Proposition 1B Goods Movement Program

- AQMD has been allocated \$110M comprised of:
  - \$61.3M for shore power projects
  - \$42.5M for truck projects
  - \$6.2M for locomotive projects
- Solicitation for shore power projects to close on February 11, 2011
- Solicitations for truck and locomotive projects to be issued on March 4 and April 1, 2011, respectively

# AQMD Air Quality Investment Program (AQIP)

- Rule 2202 is designed to reduce emissions from employee commute trips
- Employer Compliance Options:
  - Clean Air Projects
  - Ride Share Programs
  - AQIP
- AQIP revenues are used to fund projects that reduce VOC, NO<sub>x</sub>, & CO emissions
- RFPs released semi-annually (as funds are available)
- Project Types: old vehicle scrapping, off-road repowers, CNG sweepers, CNG taxis/shuttles, lawn and garden equipment





# AQIP 2011

- AQMD applied for and received \$494,314 from the AB 118 program
- Match to AQMD's existing Lawn Mower Exchange Program
- A total of 6,600 new lawn mowers to be distributed in the AQMD in 2011
- Since Inception in 2003
  - Sold Over 37,000 Cordless Electric Lawnmowers
  - Sold Over 6,000 Low Emission/Low Noise Leaf Blowers