

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
- AQIP

AQMD's Share of Funds

- AQMD's incentive program funding is mainly generated from SB1107 & AB923

	<u>Annual</u>
SB1107	\$23.8M
AB923 (\$2 DMV Fee)	\$22M
AB923 (Tire Fee)	<u>\$10M</u>
Total	\$55.8M

Carl Moyer Program under SB1107 & AB923

- CARB released the new program guidelines in April 2008
- Cost effectiveness calculated for NO_x, PM, & HC combined is raised to \$16,000/ton limit
- Funds heavy-duty projects that achieve emission reductions earlier than required by adopted regulations
- New guideline proposals will be heard by CARB in March and October of 2010

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



Evaluation Criteria

- Based on Board's adopted guidelines on July 8, 2005:
 - Goods Movement
 - Environmental Justice
 - Cost-Effectiveness
 - Low Emission Engine/Vehicle Preference
 - Early Commercialization of Advanced Tech.
 - Fleet Rules
 - School Buses

Program Status

- Approximately \$190 M spent through Year 10
- Over 6,600 engines and equipment have been funded
- Overall program cost-effectiveness is about \$6,000 per ton

Year 11

Program Update

- Awards for the Carl Moyer and the SOON Programs were approved during July 2009 through February 2010
- \$16.8M was awarded to on- and off-road projects under the Moyer Program
- \$4.4M was awarded to large and medium off-road projects under the SOON Program
- Additional 4.8M for Carl Moyer and 3.0M for SOON proposed for Governing Board approval

Schedule of “Year 12” Carl Moyer Program

- Program Announcement to be issued on February 5, 2010
- Application submittals for both Moyer and SOON Programs are due by May 7, 2010
- Awards to be approved by the Board in the period of July through October of 2010

Fleet Modernization

- The program has awarded \$12M to date to replace pre-1990 H.D. diesel trucks with 2007 or newer model year trucks
- Last year CARB released a Voucher Incentive Program (VIP) designed to replace fleet modernization. VIP streamlined the approval process by:
 - Minimal application requirements;
 - No GPS requirement; and
 - 5 day turn around

VIP

- Minimal participation
 - Current award is \$25,000 per truck vs. \$50,000 under Fleet Mod.
 - CARB is proposing revising to \$45,000 per truck, March 2010
- AQMD may return to Fleet Mod. Program based on the demand for VIP after CARB modifications

Lower-Emission School Bus Program Status

- AQMD has awarded \$106 million to date for replacement & retrofit of school buses
- Funds have been used 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

- CARB adopted the new School Bus Program guidelines in March, 2008
- \$70 million was allocated to AQMD for the Lower-Emission School Bus Program under Proposition 1B
- To date, AQMD has received \$45M and is waiting on the release of additional funds of up to \$66M
- Funds to be used for replacement of pre-1987 school buses and retrofit of 1994 and newer diesel buses

Lower-Emission School Bus Program

- Only public school districts qualify for school bus replacements
 - Schools pay \$25K as their 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 retrofits

Funding Opportunity

- In December 2008 and July 2009, AQMD Board approved:
 - the replacement of 304 pre-1987 school buses
- In February 2010 the Governing Board will hear a proposal to:
 - provide an additional \$10,000 per bus to public school districts for match; and
 - Allow for the use of up to \$2.6 M in infrastructure funding to be used as match for the purchase of 260 buses in the LAUSD

Proposition 1B - Goods Movement Program

- Proposition 1B was approved by California voters in November, 2006
- Includes \$1 billion for Goods Movement Program
- CARB adopted program guidelines in February 2008
- Funding is available over a period of four years

Proposition 1B - Goods Movement Program

- AQMD has funded 132 LNG and 131 new diesel trucks with Prop 1B “Early Grant” and Federal funds for \$18.4 million
- AQMD administered 1B funds awarded to the ports in the amounts of \$45M and \$33M.
- Funded 1,300 HD Class 8 Trucks meeting 2007 emission standards @ \$50,000 each
- Disbursement of remaining 1B, estimated at \$1.4M, and other funds from EPS, DOT and CEC will be determined in concert with CARB.

Proposition 1B - Goods Movement Program

- An additional \$ 25M was made available to fund 500 HD LNG trucks @ \$100,000 each.
- Funding was provided by
 - DOE \$ 7.5M
 - Port of Los Angeles \$ 12.5M
 - Port of Long Beach \$ 5M

Air Quality Investment Program Background

- Rule 2202 Employer Compliance Options:
 - Clean Air Projects
 - Ride Share Programs
 - AQIP
- Revenue Used to Purchase Emission Reductions to meet VOC, NOx, & CO Targets
- Rule 2202 amended February 2004
 - RFP is released at a minimum semi annually

Types of Projects Funded

- Old Vehicle Scrapping
- Off-road Diesel Repowering
- CNG Street Sweepers
- CNG Taxis, Shuttles
- Lawn and Garden Equipment

AQIP 2010

- AQMD applied for and received \$816,000 from the AB118 program
- Match for the Lawn Mower Exchange
- Will result in ~9,000 new mowers distributed in the AQMD