

# Update on AQMD's Incentive Programs

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June 26, 2008

# 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<sub>x</sub>, PM, & HC combined is raised to \$16,000/ton limit
- PM is multiplied by a factor of 20 in the cost-effectiveness calculations



# 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 \$110 M spent to date
- Over 3,500 engines and equipment have been funded
- Overall program cost-effectiveness is about \$5,000 per ton



# “Year Ten” Carl Moyer Funds

- \$34,782,473 in SB1107 funds is allocated to AQMD by CARB comprised of:
  - \$33,043,349 project funds
  - \$1,739,124 administrative cost
- \$5,367,666 in AB923 funds to be provided by AQMD as its required local match



# Year 10

## Carl Moyer Program Update

- Program Announcement issued on February 1, 2008 for \$15M with SB1107 & AB923 funds
- Program Announcement for SOON Program issued for construction equipment on November 2, 2007 for \$30M with SB1107 & AB923 funds
- 242 Proposals were submitted under the Moyer Program requesting \$59M
- SOON Program was undersubscribed

# Funding Status & Schedule

- Due to CARB's pending private on-road vehicle regulation in October, the private fleet purchase & retrofit projects have been evaluated first
- The remaining projects will be recommended for awards in September and October

# Proposed Carl Moyer On-Road Awards

<u>Funding Category</u>	<u>Units or Vehicles</u>	<u>Total Awards</u>
On-Road H.D. Purchases (Private Fleets)	198	\$7,443,681
On-Road H.D. Retrofits	<u>222</u>	<u>\$3,747,071</u>
<b>Total On-Road</b>	<b>420</b>	<b>\$11,190,752</b>

# Projects Distribution & Benefits

- 89% of recommended awards are in disproportionately impacted areas
- Emission reductions:
  - NO<sub>x</sub> = 113.4 tons/yr
  - PM = 3.84 tons/yr

# Proposed SOON Program Award

- Number of applicants: 10
- Total awards: \$11,655,440
- Number of engines: 102
- Emission reductions: 113.4 tons/yr NOx
  
- Program Announcement has been re-issued for the remaining balance of funds

# Fleet Modernization

- Funding is available for Fleet Modernization projects on a first come first served basis
- Replaces pre-1990 H.D. diesel trucks with 2007 or newer model year trucks
- Pays for up to 80% of the total cost
- The old trucks must be crushed
- Approx. \$7M awarded to date
- New program announcement for \$6M was issued on April 4, 2008

# Proposition 1B

- In November 2006, voters approved \$1 billion for emission reductions from Goods Movement activities along California's trade corridors that are not required by law or regulation
- Implementing Legislation
  - Senate Bill 88
  - Assembly Bill 201



# Proposition 1B Early Grant Program

- June 2008 CARB Allocated \$14.5 Million to AQMD
  - 131 Non-Drayage New Diesel Trucks
  - 132 Drayage New LNG Trucks
  - Replace Pre-2003 Diesel Trucks

# Proposition 1B

- Program Announcement PA #2008-10 issued on June 6, 2008
- Applications are due by July 18, 2008
- \$24M available for non-drayage truck replacements, truck retrofits, and locomotive projects
- Additional \$98M to be provided by the ports for drayage truck replacements

# Proposition 1B

## School Bus Program

- In November 2006, voters passed ballot measure Prop 1B, providing \$200M statewide for replacement and retrofit of school buses
- In March 2008, CARB Board allocated \$70.1 million to AQMD for replacement and retrofit of school buses in the Basin

# Summary of AQMD's School Bus and PM Trap Awards

<b>Fiscal Year(s)</b>	<b>New CNG Buses*</b>	<b>New Diesel Buses</b>	<b>PM Traps ('94 and newer buses)</b>	<b>Total Award (M\$)</b>
<b>00 – 01</b>	<b>102</b>	<b>66</b>		<b>17.9</b>
<b>01 – 02</b>	<b>39</b>	<b>20</b>		<b>6.8</b>
<b>00 – 02</b>			<b>1036</b>	<b>7.4</b>
<b>02 – 03</b>	<b>38</b>		<b>237</b>	<b>6.6</b>
<b>03 – 04</b>	<b>22</b>			<b>2.9</b>
<b>04 – 05</b>	<b>70</b>		<b>829</b>	<b>14.2</b>
<b>05 – 06</b>	<b>15</b>			<b>2.9</b>
<b>06 – 07</b>	<b>141</b>		<b>331</b>	<b>27.8</b>
<b>07 – 08</b>	<b>108</b>		<b>344</b>	<b>19.7</b>
<b>Total</b>	<b>535</b>	<b>86</b>	<b>2,777</b>	<b>106.2</b>

\* Includes 10 percent funding for CNG Refueling Infrastructure

# Proposed Funding with Proposition 1B Funds

Total Prop 1B funding available  
for School Buses:

\$70.1 M

- Replace 5 pre-77 buses: \$ 0.7 M
- Replace '78 –'86 buses: \$47.4 M
- Retrofit buses: \$20.0 M
- Admin Cost allowed: \$ 2.0 M

# Issue PA 2009-01 with Proposition 1B Funds

Program Announcement PA 2009-01 to provide \$67.4 million:

- **\$47.4 million** for replacement of pre-87 school buses (only public school districts are eligible)
- **\$20 million**, from Prop 1B, for retrofit of 1994 and newer school buses (both public schools and private operators are eligible)