

AQMD's Incentive Programs



Fred Minassian
Technology Implementation Manager
Science & Technology Advancement

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 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

Carl Moyer Program under SB1107 & AB923

- 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

Equipment

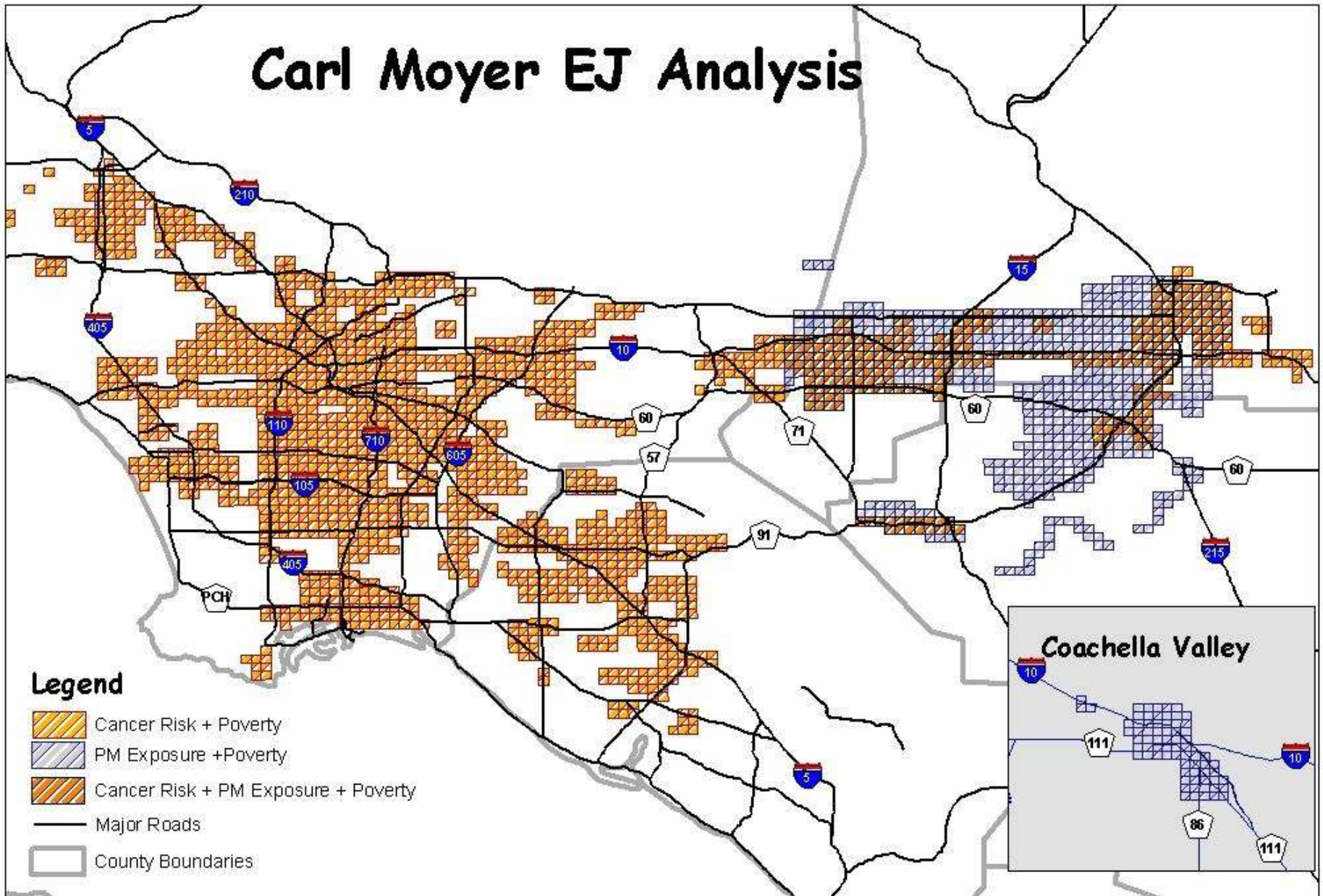
- Marine Vessel Engines
- Locomotives (LNG and Hybrid)
- Construction Equipment
- Heavy-Duty Trucks (new & retrofits)
- Forklifts
- Auxiliary Engines
- Truck Stop Electrification
- Transit Buses
- School Buses



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

Carl Moyer EJ Analysis



Program Status

- Approximately \$150M spent to date
- Over 5,000 engines and equipment have been funded
- Overall program cost-effectiveness is about \$6,000 per ton

Year 11 Program Update

- \$6M Carl Moyer Awards for on-road vehicle purchases and retrofits were approved in July, 2009
- \$15.7M in Carl Moyer and \$7.8M in SOON projects to be awarded on Sept. 11, 2009
- New program announcement to be issued on October 2, 2009, as the program was undersubscribed for the first time

Voucher Incentive Program (VIP)

- Replaces pre-1994 heavy-duty trucks for fleets of up to three vehicles
- Program to start in mid-September with \$6M funding
- Administered jointly with AQMD and approved dealers and vehicle dismantlers
- Five-day turnaround time to issue a voucher
- Pays \$35K for replacement of pre-1991 trucks and \$30K for replacement of pre-1994 trucks

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

- \$70 million has been allocated to AQMD for the Lower-Emission School Bus Program under Proposition 1B
- Funds to be used for replacement of pre-1987 school buses and retrofit of 1994 and newer diesel buses
- Proposition 1B funds were put on hold due to state's economic downturn

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

Program Status

- \$44.8M in Proposition 1B partial funding is allocated to AQMD
- 304 pre-1987 school buses will be replaced with new alternative fuel buses
- 172 model year 1994 or newer school buses will be retrofitted with particulate traps

Proposition 1B - Goods Movement Program

- Proposition 1B was approved by California voters in November, 2006
- Includes \$1 billion for 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

Proposition 1B - Goods Movement Program

- \$45.5M in partial Proposition 1B funding is now available for replacement of port trucks
- AQMD, POLA, & POLB will contribute additional \$25M
- About 1,000 trucks to be replaced with new diesel and alt. fuel trucks
- Grant funding is \$100K for alt. fuel and \$50K for diesel trucks

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