

Update on AQMD's Incentive Programs



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AQMD's Share of Funds

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

- SB1107 funds from new vehicles smog abatement fees: \$23.8M
 - AB923 funds from a tire fee increase from \$1 to \$1.75: \$10M
 - AB923 funds from \$2 DMV registration fees: \$22 M
- Total: \$55.8M

Carl Moyer Program under SB1107 & AB923 Tire Fee

- Carl Moyer Program elements include:
 - H.D. on- & off-road vehicles / equipment
 - Fleet modernization
 - Agricultural engines
 - Light-duty vehicle repair and scrapping
 - School bus replacement and retrofit

Project Types under AB923 \$2 DMV Fee

- Funds can be used for any combination of:
 - H.D. on- & off-road vehicles and equipment
 - School Buses
 - Light-duty vehicle repair and scrapping
 - Agricultural engines
- State will accept AB923 funds expended on Carl Moyer Program elements as AQMD's required local match for SB1107 (capped at approx. \$5.5M/yr)

Program Criteria

- CARB released new program guidelines on January 6, 2006
- NO_x, PM, & HC reductions are included in the new program
- Cost effectiveness is calculated for NO_x, PM, & HC combined at \$14,300/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

* Listed by cost-effectiveness



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

Year 8

Carl Moyer Program Update

- Issued RFP #2006-01 on February 3, 2006 for \$30.1M with SB1107 & AB923 funds
- Proposal submittal due date: May 5, 2006
- A total of 85 proposals were received requesting \$47.6 million in funding

On-Road Awards

Funding Category	NOx Red. tons/yr	PM Red. tons/yr	Units or Vehicles	Total Awards
On-Road H.D. Vehicles (No ARB Fleet Rules)	47.1	1.46	86	\$6,202,406
On-Road H.D. Vehicles (ARB Fleet Rules)	38.6	1.09	75	\$1,989,286
On-Road H.D. Retrofits	<u>7.6</u>	<u>2.0</u>	<u>314</u>	<u>\$2,405,422</u>
Total On-Road	93.3	4.55	475	\$10,597,114

Off-Road Awards

<u>Funding Category</u>	<u>NOx Red. tons/yr</u>	<u>PM Red. tons/yr</u>	<u>Units or Vehicles</u>	<u>Total Awards</u>
Forklifts	1.5	0.05	20	\$ 228,026
Agricultural Engines	7.5	0.28	7	\$ 422,705
Locomotives	39.0	0.88	3	\$ 3,680,000
Construction	<u>905.1</u>	<u>29.99</u>	<u>192</u>	<u>\$15,588,180</u>
Total Off-Road	953.1	31.20	222	\$19,918,911

Post-Award Activities

- Hold workshop with all awardees about contract requirements
- All projects to be completed by June 30, 2008
- AQMD staff to conduct pre- and post-inspections before making any payments

School Bus Program

- Issued Program Announcement for \$14M for school bus replacements and for \$5.4M for school bus retrofits on May 5, 2006
- 19 public schools applied for 133 new CNG school buses
- 20 public schools and private operators applied for 452 particulate traps
- All the requests have been awarded:
 - \$19.3M for new CNG buses
 - \$5.5M for PM traps

Current Funding Opportunities

Fleet Modernization

- \$6M is currently available for Fleet Modernization projects on a first come first served basis
- Replaces pre-1990 H.D. diesel trucks with 2006 or 2007 model year trucks
- Pays for up to 80% of the total cost
- The old trucks must be crushed

Agricultural Assistance Program Announcement

- \$3,457,853 remains from Board's original allocation of \$4M in February 2005, for Agricultural Assistance Program under AB923
- Re-issued Agricultural Assistance portion of the original solicitation under Program Announcement #PA2007-04
- Funds available till the end of December 2006 on a first come first served basis

Near Future Program

- \$6M from AQMD with funding from ports of L.A. and Long Beach to be available for LNG trucks at the ports
- LNG trucks to be offered for both fleet expansion and fleet modernization
- RFP to be issued in the near future