Carl Moyer Program

- A voluntary grant program
- Co-funds the replacement of diesel-fueled heavy-duty vehicles, engines and equipment
- Accelerates the commercialization of the cleanest technologies
- Reduces air pollution impacts in disadvantaged and low-income communities
Carl Moyer Funding Sources

SCAQMD Allocation
~$26 Million Annually

- Smog Abatement Fee
  (No sunset date)
- Tire Fee
  (Sunsets in 2023)

Local Match
~$4 Million Annually

- AB 923 and other local funding sources
Core Principles

- Project must result in emission reductions that are:
  - Quantifiable, surplus, enforceable and permanent
  - Not required by any federal, state or local regulation, MOA/MOU, settlement agreement, mitigation requirement or other legal mandate
  - Cost-effective (at or below $30,000/ton)
- The emission reduction technology must be certified or verified by CARB, U.S. EPA or International Maritime Organization
## What’s New?

<table>
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<tr>
<th>SB 856</th>
<th>AB 1274</th>
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<td>(Signed by Governor in</td>
<td>(Signed by Governor in October</td>
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<td>June 2018)</td>
<td>2017)</td>
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- **SB 856**
  - $245 million allocated for financial incentives for California
  - Focus on AB 617 Community Emission Reduction Plans
  - SCAQMD anticipates availability of SB 856 funds for this year’s Carl Moyer Program but the amount is not yet determined

- **AB 1274**
  - Postponement of smog check for new vehicles by 2 years
  - Additional $4 million in funding available for this year’s Carl Moyer Program
Compliance with Labor Laws

- Applicants eligible for Carl Moyer Program funds will be required to provide:
  - Information on any labor violations within the past three years
  - If awarded a contract, applicants must complete yearly certification (due with annual reports) stating if they have violated labor laws
  - SCAQMD reserves the right to terminate contract with contractor found to have violated labor laws
Carl Moyer Project Types

On-Road Heavy-Duty Vehicles:
- Trucks (drayage and other)
- Transit buses
- Solid waste
- Public agency/utility vehicles
- Emergency vehicles (e.g., fire apparatus)

Off-Road Equipment:
- Construction equipment
- Agricultural tractors
- Marine vessels (incl. shore power)
- Locomotives
- Cargo handling equipment

Infrastructure
## Project Types

<table>
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<tr>
<th>Replacement</th>
<th>Repower</th>
<th>Retrofit</th>
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<td>- Replacement of an older, dirtier vehicle/equipment with a newer, cleaner one</td>
<td>- Replacement of an in-use engine with a new, cleaner engine</td>
<td>- Installation of CARB-verified emission control device for an in-use engine, vehicle or piece of equipment</td>
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**Voucher Incentive Program (VIP) – For smaller fleets of 1-10 trucks only (www.aqmd.gov/vip)**

- Streamlined process where a voucher is issued for replacement of an on-road heavy-duty truck with a cleaner model
Program Information

- Cost-effectiveness Limit - $30,000/ton
  - Higher limit ($100,000/ton) for projects meeting an optional standard and zero emission technology
- Vendor quotes dated within the last 90 days must be submitted with the application
- Executive orders must be provided with application and include the engine family for the proposed engine
- In operation within 18 months of contract execution
- Applicant is responsible to ensure compliance with new information posted on CARB or SCAQMD websites
- If regulation is adopted/updated prior to contract execution, project will be re-evaluated against the updated regulation
General Criteria

- Fleets subject to an in-use regulation must provide documentation that demonstrates compliance with that regulation.
- The CMP will take credit for all emission reductions achieved as a result of funding approved projects.
- The emission reductions from a CMP project may not be used for regulatory compliance.
- Funding cannot exceed the project’s incremental cost (defined as maximum percentage of eligible costs).
- Contract term will cover the full “project life” that was used to evaluate the project.
General Criteria (cont’d)

- Minimum 75% operation in the SCAQMD (unless otherwise stated in source categories in CMP guidelines)
- Non-public entities must provide at least 15% of the Moyer eligible costs from non-public sources
- Moyer funds cannot be used to pay for energy or fuel costs
- Spark ignited engines may not be replaced with diesel engines
- Repower and replacement projects must achieve at least a 15% NOx reduction
Required Pre-Inspection

Projects MUST be pre-inspected prior to any work commencing

- Verification the existing equipment is fully operational
- Have appropriate engine and chassis tags which are clearly legible
- Have appropriate working meters to verify hours or mileage claimed in the application

Documentation that the fleet is in compliance with applicable rules or regulations

Failure to obtain a pre-inspection will result in contract cancellation and loss of awarded funding
Required Post-Inspection

A post-inspection must be conducted prior to payment of an invoice.

It is the applicant’s responsibility to contact the SCAQMD Project Officer to request this inspection.

Fully operational.

The post-inspection verifies that new equipment/engine is consistent with the reduced technology specified in the application.
Pre-Dismantle Inspection

- Applies to on-road projects only
- Old vehicle/engine must be delivered to an SCAQMD-approved dismantler (within 60 days after receipt by the dealer)
- Contractor (or dealer) must notify SCAQMD in writing when the old vehicle is ready for pre-dismantle inspection
- SCAQMD inspector will verify the vehicle is in similar condition as found in the pre-inspection and has not been stripped of parts
- To improve efficiency, Contractor (or dealer) should coordinate the pre-dismantle inspection at the same time as post-inspection
Dismantle/Salvage Inspection

Applies to all projects

Contractor shall ensure a salvage inspection of each old vehicle / engine / equipment is completed by SCAQMD

Contactor (or dealer) shall notify SCAQMD in writing upon delivery of the old vehicle / engine / equipment to dismantler

SCAQMD inspector will verify the equipment has been destroyed in accordance with the Carl Moyer Program Guidelines
How Will Projects Be Funded?

- All projects must meet the applicable cost-effectiveness limit
- Disadvantaged and low-income communities:
  - Carl Moyer Program (SB 1107) – at least 50% of Program funds
  - Anticipated funding from the Community Air Protection Program (SB 856) – will prioritize projects that are identified in AB 617 Community Emission Reduction Plans
- Projects will be first selected (and ranked based on cost-effectiveness) based on benefits to disadvantaged and low-income communities, as defined by:
  - CalEnviro Screen – a software tool established by California EPA
  - Funding Guidelines for Agencies that Administer California Climate Investments, established by CARB
- Remaining projects will compete based on cost-effectiveness
Map of Disadvantaged and Low-Income Communities
Grantee Reporting Requirements

- Annual reports are **MANDATORY** for the life of the project
- Failure to report can result in the following:
  - Legal action to recover all or part of the funding provided by the Carl Moyer Program
  - “Grantees that have not submitted complete required reports will not be granted funds for new Moyer Program projects until all reports are satisfactorily submitted.” (2017 CMP Guidelines, Chapter 3, page 3-37)
Reporting Requirements (Cont’d)

- Contractor must provide basic information to verify operation of the funded-equipment:

  - Number of hours operated or miles driven during the report period (must provide meter readings and date recorded)
  - Percentage of time the equipment was operated within the SCAQMD
  - Any comments on equipment performance, including any major repairs or downtime
Other Requirements

- Records must be kept for 3 years after project completion
- Subject to audit by SCAQMD and CARB
- On-site audits if annual reporting is not submitted
- All annual reports must be submitted in order to close out the contract
- If any questions, contact your assigned SCAQMD Project Officer
**Information Resources**

SCAQMD’s Carl Moyer Program Website: [www.aqmd.gov/moyer](http://www.aqmd.gov/moyer)

CARB’s 2017 Carl Moyer Program Guidelines (approved by their Board on 4/27/17):

[https://www.arb.ca.gov/msprog/moyer/guidelines/current.htm](https://www.arb.ca.gov/msprog/moyer/guidelines/current.htm)
Deadline for Submittal

All paper applications must be received at SCAQMD Headquarters by no later than:

Tuesday, June 4, 2019
by 1:00 pm

(Fax or e-mail proposals will not be accepted)

Electronic submittals using SCAQMD’s CMP Online Application Program (OAP) is preferred and available at:

www.aqmd.gov/moyer