

2018 SURPLUS OFF-ROAD OPT-IN FOR NO_x (SOON)



**SOUTH COAST
AIR QUALITY MANAGEMENT
DISTRICT**

SOON Regulation



CCR, Title 13, Division 3, Chapter 9, Article 4.8,

	Section	Codifying	Features
"Base Rule" Off-Road Regulation	2449	General Provisions	<ul style="list-style-type: none">• Reduction of NOx and PM
	2449.1	Performance Requirements	<ul style="list-style-type: none">• Date driven declining "Target Rates" for fleets
SOON	2449.2	<u>Surplus Off-Road Opt-in for NOx</u>	<ul style="list-style-type: none">• <u>Reduction of NOx ONLY</u>• Accelerated Emission Reduction / Earlier Target Rates

SOON Overview



- Purpose of the SOON Program
 - To achieve **additional** reductions of **NO_x** from In-Use, Off-Road, Diesel-Fueled, Fleets in California
 - Requires earlier (or surplus) NO_x reductions than would otherwise be achieved through the Base Rule
- Funding is from Carl Moyer Program (CMP)
- Must meet all Base Rule requirements; unless there is a more stringent SOON requirement

Applicability



- Existing, In-Use, Diesel Fleet Engine
- Air District Opt-In (SCAQMD ✓)
- Any fleet vehicle operates in the jurisdiction of the SCAQMD
- Then must apply for SOON funding, if:
 - As of 1/1/2008, fleet consists of >40% of Tier 0 or Tier 1 vehicles
 - Statewide fleet size >20,000 bhp

[Excluding bhp from engines in two-engine vehicles and bhp from single-engine cranes formerly subject to Cargo Handling Equipment Regulation]
- Other fleet sizes may apply on a voluntary basis

2018 Cost Effectiveness (C/E) Limits



- Same as CMP – but only for NO_x reduced:
 - \$30,000/ton for projects that bring engines to current standards
 - \$100,000/ton for zero-emissions or alternatively meet the cleanest optional standard level certified
- Possible funding for projects exceeding C/E limits – project funding reduced

SOON Application



- **SOON Application requirements same as for CMP:**
 - Proof of Ownership - 2 Years in California (e.g. Bill of Sale)
 - Operated in District 3 years
 - Documentation of at least the two most recent years of hourly usage
 - Applications must include vendor quotes (obtained within 90 days prior to application deadline)
 - Must provide a DOORS Fleet Compliance Plan
 - ✦ Doors Snapshot
 - ✦ Equipment List of ALL Equipment under Contractor DOORS ID

SOON – Funding and Project Life



SOON Project Type	Incremental Cost (Maximum Amount Eligible for Funding)	Project Life	Requirements
Replacement	80%	5 Years ^{i.}	Tier 4 ^{ii.}
Repower	85%	7 Years	Tier 4 ^{ii.}
Retrofit	100%	5 Years	Must be verified by CARB to meet reduction standard; case-by-case basis

i. 3 Years for Excavators, Skid Steer Loaders and Rough Terrain Fork Lifts

ii. If, Tier 4 technology is not available from manufacturer then, Tier 3 may be used but it will result in lower funding award

SOON Highlights



- SOON project funding amount is based on NO_x reduction benefit only
- Funded vehicles cannot be counted toward compliance with Base Rule during project life
- Replacement projects involving the purchase of new flexible engines (certified to the implementation flexibility standards in title 13, CFR, section 2423(d)) are **ineligible**
- Repower projects involving flexible engines must be evaluated based on the immediately preceding, applicable, Tier (III) emission standard
- Only CLASS 7 Diesel Forklifts are eligible for SOON funding

Fleet Average Index & SOON Target Rate



- Fleet Average Index (FAI) as defined in the Base Rule
- DOORS fleet report must be updated annually - **March 1**
- IF,
Fleet Average Index (FAI) > SOON Target Rate (STR)
- THEN,
 - Fleets >20,000 bhp (Statewide) MUST:
 - ✦ File New/Revised SOON Compliance Plan (as applicable)
 - ✦ Apply for SOON funding
 - Other fleet sizes **may** apply on a **voluntary** basis

SOON Compliance Plan



- Demonstrate compliance with CARB Base Rule
- Detail strategy for achieving AFI that meets or exceeds applicable specific compliance date SOON NOx Target Rates
- At a minimum, forecast annual fleet NOx reduction actions, for the next two upcoming consecutive SOON NOx target dates (2020, 2023),
- Comply with all other SOON requirements pursuant to Section 2449.2
- Cannot take credit for SOON project emission reductions for CMP reporting until end of project term
- **Must provide Annual Reports!**

Annual Reporting



- **MUST REPORT USAGE ANNUALLY** (in writing, for each **Reporting Period**, and **each** contract unit funded):
 1. **Beginning Date** on which the meter hours were recorded (typically the In-Service date and every year thereafter for the term of the contract)
 2. **Beginning Meter Hours** on the Beginning Date
 3. **Ending Date** on which the meter hours were recorded (typically one year after each Beginning Year date)
 4. **Ending Meter Hours** total meter hours on the Ending Date
 5. **Calculated Hours** for the reporting year
 6. Continue to report ANNUAL equipment usage hours until last reporting date in contract
- Mandatory pursuant to contractor signed, executed contract with SCAQMD (See Contract Attachment 1A Project Milestones)
- Up to 90 days from the reporting date to submit to SCAQMD
- **Failure to report can result in legal action to recover all or part of the grant Moyer funding provided!**

Annual Report Form & Example



South Coast Air Quality Management District
Carl Moyer Program

Annual Report Form

CONTRACTOR NAME: ABC, Inc.

AQMD CONTRACT #: 12345

ADDRESS: 1 Main St., Anycity, Anystate, 00000

EMAIL: me@isp.com

PHONE: 000-000-0000

REPORTING PERIOD (MM/DD/YYYY thru MM/DD/YYYY): 06/01/2013 thru 05/31/2014

Equipment ID#	Location of Equipment (City & Zip)	% of Time in SCAQMD Boundaries	BEGINNING Engine Hour Meter Readings		ENDING Engine Hour Meter Readings		CALCULATED Engine Hours of Operation <i>ENDING</i> — <i>BEGINNING</i> Engine Hour Meter Readings
			Beginning Date	Beginning Meter Hours	Ending Date	Ending Meter Hours	
<i>CAT 637D Scraper Unit# 2</i>	<i>91765</i>	<i>100%</i>	<i>6/15/13</i>	<i>55</i>	<i>5/31/14</i>	<i>1,801</i>	<i>1,746</i>
<i>CAT 824C Rubber Tired Dozer Unit# 4</i>	<i>91766</i>	<i>100%</i>	<i>6/15/13</i>	<i>50</i>	<i>5/31/14</i>	<i>1,627</i>	<i>1,577</i>

Please describe any major repairs, maintenance, unforeseen circumstances or problems that significantly affected the operation of the equipment(s):

I, the undersigned, certify that the above information is true and correct.

PRINT NAME: Owner Person

SIGNATURE: Owner Person

TITLE: President

DATE: 7/10/2014

Please use additional sheets as needed.

Return to: South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, CA 91765

REV 4/2018

Useful Links



- SCAQMD Rule 2449 – Control of Oxides of Nitrogen [NO_x] Emissions from Off-Road Diesel Vehicles <http://www.aqmd.gov/docs/default-source/rule-book/reg-xxiv/rule-2449.pdf>
- CCR, Title 13, Division 3, Chapter 9, Article 4.8 [Off-Road Reg.]: [https://govt.westlaw.com/calregs/Document/ID1C693E02DDD11E197D9B83B68A61150?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/ID1C693E02DDD11E197D9B83B68A61150?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default))
- Carl Moyer Program SOON Public Announcement: <http://www.aqmd.gov/home/programs/business/business-detail?title=off-road-diesel-engines&parent=vehicle-engine-upgrades>
- DOORS <https://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm>
- *** Annual Report Form:** <http://www.aqmd.gov/docs/default-source/aqmd-forms/moyer/carl-moyer-annual-report-template.pdf?sfvrsn=38>

Questions/Contact Information



SOON Program

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