

AQMD's Incentive Programs



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AQMD's Incentive Programs

- Carl Moyer Program
- Proposition 1B – Goods Movement Program
- Lower-Emission School Bus Program

Eligible Equipment for Funding

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



Program Status

- Approximately \$315M spent/obligated through Year 14
- Over 9,000 engines and equipment have been funded
- Overall program cost-effectiveness is about \$8,000 per ton

Year 15 Update

- Solicitation: - to open on March 2, 2013
- to close in June, 2013
- About \$26M is available in state and local match funds
- AQMD Board to consider projects for approval in October 2013

Voucher Incentive Program (VIP)

- Limited to owners/operators with fleets of 10 or fewer vehicles
- First-come, first-served basis
- Retrofits: \$5K to \$10K available per truck
(Eligible GVWR Range: 19,501 to 26,000 lbs)
- Replacements: Up to \$45K available per truck
(Eligible GVWR Range: 19,501 and higher)
- Over 500 trucks funded for about \$15.6 million



VIP Eligibility Criteria

Fleet Size	Eligible Engine Model Years
1 – 3	2002 and Older
4 - 10	1996 – 2002

- Owned by applicant for the previous 24 months
- New truck to be 2007 model or newer with engine certified to 1.2 g/bhp-hr Nox and 0.01 g/bhp-hr PM or cleaner

“Year 1” Proposition 1B Program Summary

Grant Type	Funding Amount	No. of Equipment
Drayage Trucks	\$71.9M	1,444 trucks*
Other Trucks	\$47.5M	946 Trucks 30 Retrofits 1 Truck Stop Electrification
Intermodal Facilities Trucks	\$2.5M	50 Trucks 2 Retrofits
Locomotives	\$3.0M	4 Locomotives
Total	\$124.9M	2,440 Trucks 32 Retrofits 1 Truck Stop Electrification 4 Locomotives

*559 of the drayage trucks are LNG with additional \$26.6M from the AQMD and the Ports

“Years 2 & 3” Proposition 1B Goods Movement Program

- AQMD was allocated \$168.5M comprised of:
 - \$60M for shore power projects
 - \$104M for truck projects
 - \$4.5M for locomotive projects
- Over 2,600 truck projects are under implementation
- Six locomotive projects have been awarded

Prop. 1B Shore Power Projects

	Port of Long Beach	Port of Los Angeles	Port of Hueneme
No. of Berths Awarded	12	10	3
Type of Shore Power	Grid-Based	Grid-Based	Grid-Based
Anticipated Date of Installation	No later than 12/31/13	No later than 12/31/13	No later than 12/31/13
Total Project Cost (avg. per berth)	\$6,278,333	\$4,887,500	\$3,003,806
AQMD Grant Award (per berth)	\$2,500,000	\$2,373,000 (avg.)	\$1,501,903
Estimated Emission Reductions:			
PM (ton per year, avg. per berth)	0.65	0.85	0.78
NOx (ton per year, avg. per berth)	38	49.7	45.7

Lower-Emission School Bus Program

- Pre-1994 diesel school buses owned by public school districts are replaced with new CNG school buses certified at 0.2 g/bhp-hr NO_x
- 1994 and newer school buses are retrofitted with Level 3 particulate traps

School Bus Program under Proposition 1B

- CARB allocated \$71M to AQMD under the Proposition 1B - School Bus Program
- 466 pre-1987 school buses have been replaced with new alternative fuel buses
- 467 post-1993 model year school buses have been retrofitted with particulate traps
- All the projects were completed on time before June 30, 2012

Current School Bus Program

- \$34 million in AB923 funds have been approved for:
 - the replacement of 197 pre-1994 school buses, and
 - the retrofit of 66 model year 1994 or newer school buses

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

- Funds are mainly used to fund the Carl Moyer and the Lower-Emission School Bus Programs

AB 923 Funds

- AB 923 was approved in September 2004
- Funding expires on January 1, 2015
- AB 923 has two funding components:
 - Tire Fee, \$0.75 per tire disposal
 - \$2 increased DMV registration fee

AB 923's Impact on South Coast Region

- Funded 980 new natural gas school buses for \$93.4M
- Funded 670 heavy-duty vehicles for \$26.5M
- Achieved 570 tons per year of NOx reductions
- Tier 4 locomotive projects for Metrolink were approved for \$34.7M on February 1

Legislative Update

- AB 8 is introduced by Assemblymen Perea and Skinner
- SB 11 is introduced by Senators Pavley and Rubio
- Both Bills extend AB 923 & AB 118 funds from 2015 & 2016 respectively, to 2023
- AB 8 to be heard at the Transportation Committee in March

AB 923

*expires
1/1/2015*

\$2 registration surcharge for Local CAP
~\$50 M per year

\$0.75 tire sale surcharge for CMP
~\$25 M per year

AB 118

*expires
1/1/2016*

\$5 vehicle license fee for AQIP and ARFVTP

\$8 smog abatement fee for AQIP & ARFVTP
~\$80 M per year

\$10/\$20 vessel registration surcharge for AQIP & ARFVTP

\$3 registration surcharge for EFMP & ARFVTP

Local Clean Air Projects
~\$50 M per year

- diesel clean-up projects consistent Carl Moyer Program rules
- school bus clean-up projects
- agricultural assistance diesel clean-up projects
- light duty remote sensing projects

Carl Moyer Program
~\$25 M per year

- 10% for statewide diesel clean-up projects
- 90% allocated to local air districts for diesel clean-up projects

Air Quality Improvement Program
~\$30 - 40 M per year

- clean vehicle and equipment projects
- research on biofuels production
- research on air quality impacts of alternative fuels
- workforce training

Alternative and Renewable Fuel and Vehicle Technology Program
~\$90-100 M per year

- provides grants, loans, loan guarantees, revolving loans, etc. for technology development and deployment
- targets transformation in fuel & vehicle types to attain climate protection goals

Enhanced Fleet Modernization Program
~\$15-30M per year

- provides incentives to accelerate vehicle retirement
- offers rebates for surrender & destruction of oldest, most polluting vehicles

Local Air Districts

- Local Carl Moyer Projects
- School Bus Clean-up
- Agricultural Assistance
- Remote Sensing

ARB

- Statewide Carl Moyer Projects
- Air Quality Improvement Program

CEC

- Alternative and Renewable Fuel and Vehicle Technology Program

BAR

- Enhanced Fleet Modernization