

State of California
AIR RESOURCES BOARD

Resolution 05-14

January 20, 2005

Agenda Item No.: 05-1-4

WHEREAS, sections 39600 and 39605 of the Health and Safety Code authorize the Air Resources Board (ARB or “the Board”) to act as necessary to execute the powers and duties granted to and imposed upon the Board and to provide assistance to the local air pollution control and air quality management districts (districts);

WHEREAS, section 43018 of the Health and Safety Code directs the Board to endeavor to achieve the maximum degree of emission reduction possible from vehicular and other mobile sources in order to accomplish the attainment of the state ambient air quality standards at the earliest practicable date;

WHEREAS, the Board identified the particulate emissions from diesel-fueled engines as a toxic air contaminant in August 1998;

WHEREAS, the Board approved the *Risk Reduction Plan to Reduce Particulate Matter Emissions from Diesel-Fueled Engines and Vehicles*, and the *Risk Management Guidance for the Permitting of New Stationary Diesel-Fueled Engines* on September 28, 2000, and has since adopted control measures to reduce diesel particulate emissions from new and in-use engines;

WHEREAS, the *2003 State and Federal Strategy*, adopted by the Board on October 23, 2003, includes measures to reduce particulate matter as well as ozone precursors, such as reactive organic gases and nitrogen oxides (NOx) to aid attainment of the ambient air quality standards for ozone and particulate matter, as necessary;

WHEREAS, Governor Schwarzenegger, in his September 2004 veto message on Assembly Bill 2042 (Lowenthal), directed the ARB to work with the ports, the railroads, other goods movement facilities, local air districts, the U.S. Environmental Protection Agency and local communities to develop an innovative program, including financial and regulatory incentives, to reduce air pollution at ports;

WHEREAS, sections 44275 through 44299.2 of the Health and Safety Code establish the Carl Moyer Memorial Air Quality Standards Attainment Program (the Carl Moyer Program), to be administered by the ARB and implemented by the districts;

WHEREAS, Senate Bill 1107 (Committee of Budget and Fiscal Review; Stats. 2004, ch. 230) and Assembly Bill 923 (Firebaugh; Stats. 2004, ch. 707) provide sustained funding for the Carl Moyer Program and other similar incentive programs of up to \$140 million each year;

WHEREAS, Assembly Bill 923 also expanded the Carl Moyer Program to address pollutants in addition to nitrogen oxides (specifically particulate matter and reactive organic gases), and broadened the covered source categories to include light- and medium-duty vehicles and additional agricultural sources;

WHEREAS, section 44286(d) of the Health and Safety Code allows the Board to reserve up to 10 percent of the Carl Moyer Program funds available each year to directly fund any project that is multidistrict in nature;

WHEREAS, Assembly Bill 923 further requires the Air Resources Board to amend the Carl Moyer Program grant criteria and guidelines as soon as practicable, but not later than January 1, 2006;

WHEREAS, the California Environmental Quality Act (CEQA) requires that no projects which may have significant adverse environmental impacts may be adopted as originally proposed if feasible alternatives or mitigation measures are available to reduce or eliminate such impacts, unless specific overriding considerations are identified which outweigh the potential adverse consequences of any unmitigated impacts;

WHEREAS, the Board held a public meeting on January 20, 2005, and at this meeting, ARB staff proposed to reserve 10 percent of the Carl Moyer Program funds for multidistrict projects, and to focus the fiscal year 2004-2005 multidistrict project funds on projects that reduce emissions associated with goods movement and to encourage the concurrent reduction of NOx emissions when complying with diesel particulate control measures;

WHEREAS, the Board finds that:

1. The emission reductions resulting from the Carl Moyer Program are critical for the ARB to fulfill its obligations under the State Implementation Plan; to attain state and federal health-based air quality standards; and to reduce exposure to toxic air pollutants.
2. The Carl Moyer Program funds projects that provide critical reductions of toxic particulate matter emissions from diesel-fueled engines.
3. The Carl Moyer Program cost-effectively reduces in-use emissions from sources such as diesel engines, and encourages the development and introduction of new technology.
4. The implementation of the Carl Moyer Program has been a success because of collaborative efforts among industry, local air districts, and the ARB; districts' staff have worked quickly and diligently to establish the program and solicit project applications; numerous businesses have taken a leadership role in participating in the program and utilizing cleaner technology; ARB staff have

developed and revised guidelines, and provided technical assistance to ensure that the air quality benefits are real, surplus, quantifiable, and enforceable.

5. It is necessary and appropriate for the Board to reserve 10 percent of the Carl Moyer Program funds for multidistrict projects.
6. Focusing a portion of the multidistrict Carl Moyer Program funds on goods movement, including the ports, the railroads and other goods movement facilities, will help address the public health risk caused by intermodal transportation facilities.
7. It is important to encourage owners of diesel engines who are complying with regulations to reduce diesel particulate matter to concurrently reduce NOx emissions, if it is technologically feasible and cost-effective.
8. This action will have a beneficial, rather than an adverse, impact on the environment.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the staff's recommendation to focus the fiscal year 2004-2005 multidistrict Carl Moyer Program funds on projects that reduce emissions associated with goods movement, and a program to encourage concurrent NOx reductions when complying with diesel particulate matter control measures.

BE IT FURTHER RESOLVED, that the Board directs the Executive Officer to coordinate with the local air pollution districts to effectively implement the multidistrict Carl Moyer Program projects.

BE IT FURTHER RESOLVED, that the Board directs the Executive Officer to return to the Board with proposed modifications and updates to the Carl Moyer Program grant criteria and guidelines for new pollutants and emission source categories, including additional agricultural sources, by the statutory deadline of January 1, 2006. These criteria and guidelines must ensure that the emission reductions generated through the Carl Moyer Program remain real, quantifiable, surplus, and enforceable.

I hereby certify that the above is a true and correct copy of Resolution 05-14, as adopted by the Air Resources Board.

Lori Andreoni, Clerk of the Board