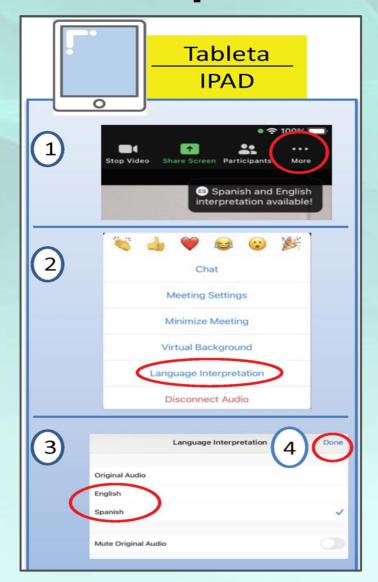


Moyer Program and FARMER Program 2024 Guidelines Updates

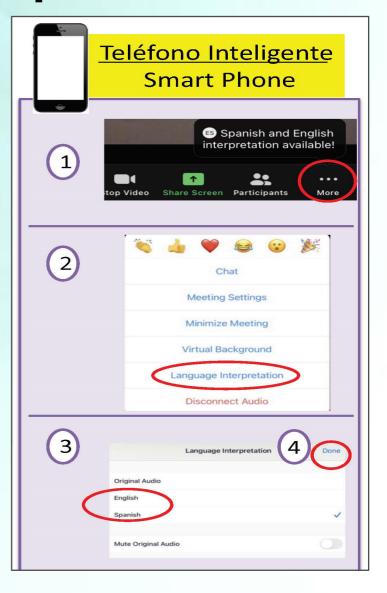
Public Workshop and 45-day Public Comment Kick-off August 28, 2024

Interpretation

Interpretación





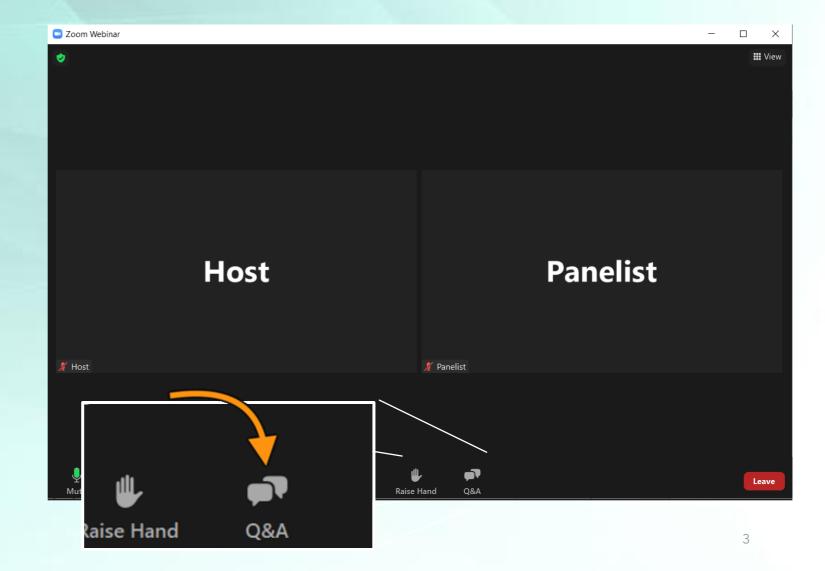




Zoom Orientation - Attendees

Q&A

- You may use the Q&A function throughout the meeting
- We will address
 questions during the
 public comment portion
 only.



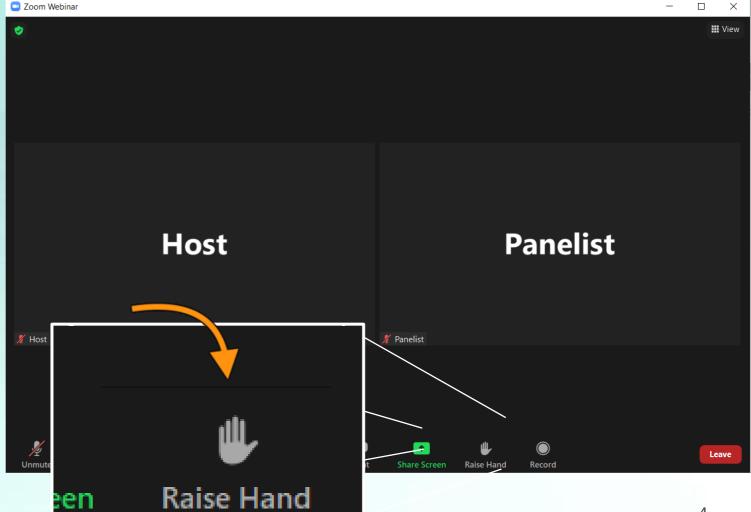


Zoom Orientation

The Queue to Speak

Please use **Raise Hand** to join the queue to speak.

- Click: Raise Hand
- On the phone: dial #2





Meeting Agenda

Carl Moyer Program

- Overview of the Carl Moyer Program
- Proposed Changes to Administration, On-Road Heavy-Duty, On-Road Heavy-Duty Voucher Incentive Program (VIP), Light-Duty On-Road Chapters
- Open Discussion
- Proposed Changes to Off-Road Equipment, Locomotive, Marine, Lawn and Garden, and Infrastructure Chapters
- Proposed Changes to Appendices
- Open Discussion

FARMER Program

- Proposed Updates
- Open Discussion

Next Steps



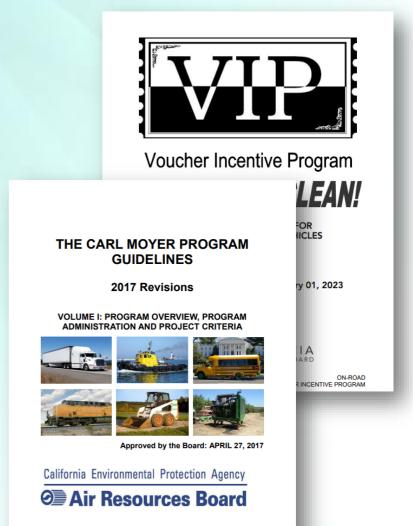
Carl Moyer Program

Overview of the Carl Moyer Program



Carl Moyer Program Guidelines

- Celebrating its 25th year of success
- Statewide emission reduction program
- Partnership with air districts
- By statute, emission reductions must be:
 - Cost-effective
 - State Implementation Plan (SIP) creditable





Purpose of Proposed Guideline Updates

- Modernize Guidelines
- Streamline processes where possible
- Ensure the Guidelines complement incentive programs in CARB's portfolio
- Increase transparency and clarity





Environmental Justice and Equity

- Health & Safety Code § 43023.5
 - Air districts with one million or more residents will be required to meet 50% or more of the environmental justice requirement by the liquidation deadline for each Moyer fiscal year
- Air District Program Implementation Guidance
 - Air districts to explicitly outline their policies and procedures for project selection, including ranking criteria for projects in communities of minority populations or lowincome status



Carl Moyer Program

Proposed Changes to Administration, On-Road Heavy-Duty, On-Road Heavy-Duty Voucher Incentive Program (VIP), Light-Duty On-Road Chapters



Proposed Changes Chapter 2: General Criteria

- Expand project eligibility
 - Retain 15% NOx emission reductions for repower per Statute for On-Road Heavy Duty Vehicles but remove from all other project categories
- Improve chapter flow
 - Organize and rearrange sections in a more orderly and intentional manner
- Clarify existing language



Proposed Changes Chapter 3: Program Administration

- Promotion of zero-emission (ZE) technology projects
 - Allowance of lease to own
 - Delayed scrappage
 - Expansion of eligible costs to include extended warranties, taxes, and insurance
 - Allowance to extend contract liquidation timeframe beyond four years









Proposed Changes Chapter 3: Program Administration

- Increase in the total administration fund allocation for air districts
- Changes in processes since last comprehensive Guideline update
 - Added section on 1099 Form
 - Allowance of electronic recordkeeping, e-signatures, and virtual inspections
 - Additional checks and balances to improve and strengthen program implementation
- Guidance clarification
 - Direct and indirect administration costs
 - Nonperforming air district programs and projects
 - Co-funding allowances and opportunities with the creation of the website



Proposed Changes Chapter 4: On-Road Heavy-Duty Vehicles

- Aligns with regulations, and emissions inventory
- Updates on eligibility and funding considerations
 - Fleet size of 20 or less vehicles eligible for maximum 80 percent of vehicle cost
 - Eligible costs now include warranties, taxes, and insurance
- Provides additional guidance, clarification, flexibility, and changes in process





Proposed Changes On-Road Heavy-Duty Vehicles Voucher Incentive Program (VIP)

- Alignment with regulations and Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP)
 - Expansion of fleet eligibility to include 20 vehicles of over 8,500 lbs
 - Applying for VIP before co-funding with other sources
- Guidance clarification and changes in process
 - New DMV documentation procedure
 - Application compliance documentation requirements by Assembly Bill 794 attestation and Clean Truck Check-Vehicle Inspection System



Proposed Changes Chapter 8: Light-Duty Vehicles

- Promote increased interest and boost participation
 - Increase maximum grant amount from \$1,500 to \$3,000
- Up to date accurate and relevant data
 - 2024-2026 Retired Vehicle Emission Reductions table



Carl Moyer Program - Questions???



Use the Q&A feature to type a question



Use the raised hand function (#2 if calling in by phone)



Please state your name and affiliation before asking a question or making a comment.



Carl Moyer Program

Proposed Changes to Off-Road Equipment, Locomotive, Marine, Lawn and Garden, and Infrastructure Chapters



Proposed Changes Chapter 5: Off-Road

- Agricultural projects to use FARMER Guidelines
- Expand opportunities for ZE projects (case-by-case determinations not required)
- Expand eligible project types
 - Engines below 25 horsepower
 - Transport Refrigeration Units and Utility Terrain Vehicles
 - 1-year minimum project life
- More stringent baseline and replacement requirements
 - Tier 4 Final or cleaner replacements only
 - No funding for Family Emissions Limit engines above standard





Proposed Changes Chapter 6: Locomotive

- Expand eligible project types
 - Added retrofits and conversions as eligible project types
 - Allowance for two-for-one equipment replacements
- Additional funding opportunities
 - Raised funding percentages for select projects
 - Flexibility with project lives (minimum 1 year and partial years)
- Flexibility and clarification of requirements
 - Zero-emission projects may proceed with CARB approval
 - Clarification on requirements for engine destruction





Proposed Changes Chapter 7: Marine Vessels

- Expand opportunities for ZE and ZE-Capable Hybrid projects
 - Clarify Cost-Effectiveness limit applicability
 - Eligible costs and warranty requirements
- Align with Commercial Harbor Craft Regulation and At Berth Regulation
 - Expand funding opportunities to engines below 25 horsepower
 - Updated load factors, emission factors, citations and definitions
- Remove the need for case-by-case
 - ZEAT application process for ZE and ZE- Capable Hybrid projects
 - Additional guidance for vessel replacement projects



Proposed Changes Chapter 9: Lawn and Garden Equipment Replacement

- Updated in 2023 to include commercial operators, add new equipment types, and increase voucher amounts.
- Increase purchasing flexibility for charging equipment.
 - Broadens charging cable to non-permanent charging equipment for eligible project costs.
- Simplify implementation.
 - Window for participants to deliver operational lawn and garden equipment to air district/ dismantler/ other third party extended from 30 days to 60 days.



Proposed Changes Chapter 10: Infrastructure

- Expanding eligible project types
 - Add new categories, portable power projects, and EV charging protocols
- Increasing funding opportunities
 - Raise funding percentages
 - Include additional costs and fees to eligibility
- Streamlining requirements
 - Reduce barriers for co-funding and competitive bidding
 - Allow for 24-hour accessibility at publicly accessible stations
 - Introduce flexibility to pre-inspection requirements





Carl Moyer Program

Proposed Changes to Appendices



Proposed Changes to Appendices

Appendix	Contents	Proposed Updates
A	Acronyms	To reflect new additions
В	Definitions	To reflect new additions
С	Calculation Methodology	Reorganized for clarity and to simplify
D	Emission Reduction Tables	New tables and updated factors and metrics to align with inventory and regulations
E	Cost-effective limits, Discount Rates and Capital Recovery Factors	Cost-effectiveness limits, discount rates, and capital recovery factors



Proposed Changes Cost-Effectiveness and Calculations

- Calculation Changes
 - A one-step calculation for all project types going forward
 - NOx emissions reductions for on-road engines 2013 and newer
- Cost-effectiveness Limits Updates
 - Reflecting the latest economic and environmental considerations
- Emission Reduction Tables
 - To align with current inventory and regulations
 - Updates to emission factors, load factors, and other related metrics
 - New data tables have been added



Carl Moyer Program - Questions???



Use the Q&A feature to type a question



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Moyer Program Contact Information

Deborah Paselk Staff Air Pollution Specialist Deborah.Paselk@arb.ca.gov

Program Email MoyerHelp@arb.ca.gov

Carl Moyer Program Website https://ww2.arb.ca.gov/our-work/programs/carl-moyer-memorial-air-quality-standards-attainment-program

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https://public.govdelivery.com/accounts/CARB/subscriber/new?topic_id=moyer



Overview of Updates and Open Discussion

FARMER Program Guidelines



FARMER Program Background

- Initial appropriation of \$135 million in 2017
 - Guidelines approved in March 2018
- Limited to vehicles and equipment that serve agricultural operations
- To date, \$760 million has been appropriated statewide for FARMER





FARMER Guidelines Update Process

- Updates to Guidelines will add flexibility and aid in district administration
- Update Process:
 - Meetings with air districts and industry stakeholders
 - Evening Community Meetings
 - Series of public workgroup meetings throughout the State
 - Public workshops
- Changes from public process reflected in current draft Guidelines include:
 - Scrap provisions for implements
 - Clarifications to remote inspection provisions, etc.



Proposed General Program Changes

 Update "agricultural operations" definition to match source category

Remove requirement for projects to achieve a minimum of 15%

NOx reductions

 Expand used equipment for small producers for all districts

- Follow Health and Safety Code § 44282.5 for off-road projects:
 - Evaluate on a 10-year project life
 - Allow projects to be funded up to date of compliance
- Require minimum 3-year contract term





Proposed Update to Project Timelines

- Require applicant to place a purchase order within one year from contract execution, with extensions allowed at the district's discretion
- Update salvage/destruction deadline to 90 days, with extensions allowed for zero-emission up to six months at the district's discretion (with reasonable justification)





Proposed Off-Road Project Changes

- For single replacements, allow 25 hp or 35% increase in horsepower, whichever is greater
- For 2-for-1 projects (or multiples-for-1), use the larger of the two baselines to establish the horsepower cap





Proposed Off-Road Project Changes (cont'd)

- Include provisions to account for efficiency gains from specialty equipment
- Add flexibility to allow for replacement equipment that varies from the baseline equipment type
- Zero-Emission Off-Road Equipment Changes:
 - Allow less than 25 horsepower equipment to be replaced with zeroemission, specifically agricultural tractors 20 horsepower or greater
 - Increase incentive cap to 85%





Proposed Quantification and Cost-Effectiveness Updates

- Include updated diesel emission factors from CARB's Off-Road Diesel Emission Factor Database
- Update diesel load factors to match the 2021 Agricultural Inventory and 2021 Forestry Inventory
- New cost-effectiveness limits:
 - \$60,000 for combustion replacements
 - \$120,000 for zero-emission replacements



FARMER Program Contact Information

Evan Powers
Air Pollution Specialist
916-282-6273
Evan.Powers@arb.ca.gov

Program Email FARMER@arb.ca.gov

FARMER Program Website www.arb.ca.gov/FARMER

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FARMER Program - Questions???



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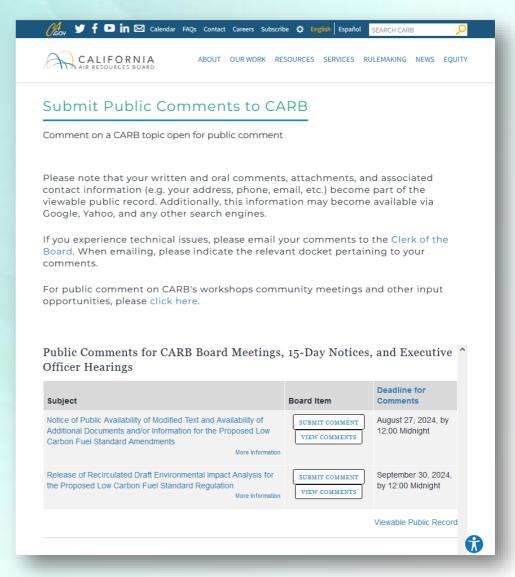


Next Steps



Important Upcoming Dates

- October 14th 45-day Comment Period closes
- October 24-25, 2024 Board Hearing to consider Guidelines
- Meetings & Workshops Link
 - Moyer Program
 - FARMER Program



Note: All content in this presentation are proposed and not final until Board approval



Thank you!

