



# Air Resources Board



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August 4, 2010

Mail-Out #MSC 10-32

TO: All Interested Parties

SUBJECT: REVISIONS TO THE CARL MOYER PROGRAM GUIDELINES FOR  
ON-ROAD RETROFITS AND FLEET MODERNIZATION PROJECTS

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This mail-out describes the most recent revisions to the Carl Moyer Program Guidelines. These revisions, detailed below, include raising the maximum retrofit funding amount to \$10,000, adding fleet modernization funding eligibility for medium heavy-duty vehicles, and allowing funding for vehicles that operate exclusively in Oxides of Nitrogen (NOx) exempt areas. All of the revisions are intended to expand eligibility and/or encourage participation in the Carl Moyer Program.

## **Background:**

Since 1998, the Carl Moyer Program has filled a critical niche in California's strategy to achieve clean air. The Carl Moyer Program provides grant funding for the incremental cost of cleaner-than-required engines, equipment, and emission reduction technologies. The Carl Moyer Program complements California's regulatory program by funding emission reductions that are surplus (i.e., early and/or in excess of what is required by regulation). State law (Health and Safety Code §44287) authorizes Air Resources Board to revise the Carl Moyer Program Guidelines (Guidelines) when necessary to improve the ability of the program to achieve its goals.

The most recent revisions to the Guidelines included policy and other major updates that were approved by the Board at a public hearing on March 25, 2010. However, from time-to-time, additional minor revisions to the guidelines are needed which are approved and implemented by the Executive Officer or designee after a public meeting and the 45-day review period. The public meeting regarding the revisions outlined below was held on June 17, 2010, and the 45-day review period ended July 18, 2010. This executed mail-out serves as notice that the following revisions are now effective.

## **Revisions:**

The following sections include the revisions to the 2008 Carl Moyer Program Guidelines.

*The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website: <http://www.arb.ca.gov>.*

California Environmental Protection Agency

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Revision 1

Chapter III: On-Road Heavy-Duty Vehicles

Section II: Update Table 3-2 increasing the maximum incentive amount for retrofits to \$10,000.

**Table 3-2 Maximum Funding Amounts for Carl Moyer On-Road Vehicle Projects**

<b>Project</b>	<b>Maximum Eligible for Carl Moyer Program Funding</b>
New Vehicle Purchase	25 percent
Vehicle Repower	80 percent
Retrofit: Highest Level PM + NOx	\$10,000
Retrofit: 2007 Engine Standard Equivalent*	\$20,000
TRU Retrofit	100 percent
Idling Reduction Retrofit	100 percent

\* Including selective catalytic reduction (SCR) retrofits, when verified by ARB

Section IV(e)(1)(a): Raise the maximum incentive amount for retrofits to \$10,000

The maximum incentive amount for retrofits is \$10,000.

Revision 2

Chapter IV: On-Road Fleet Modernization

Section IV(a)(2): Eligibility for trucks operating exclusively in NOx exempt areas

Vehicles that are subject to the Statewide Truck & Bus Regulation and operate exclusively in NOx exempt areas of the state as defined in title 13, California Code of Regulations (CCR), section 2025(d)(55) are now eligible as follows:

- Vehicles in large fleets (4+ vehicles) with engine model years 1994-2002 are eligible for funding of NOx and Reactive Organic Gases (ROG) reductions through December 31, 2017.
- Vehicles in small fleets (1-3 vehicles) with engine model years 1994-2002 are eligible for funding of NOx and ROG reductions through December 31, 2018.

Vehicles in NOx exempt areas are subject to reporting requirements, which are incorporated as a condition of funding. Beginning on January 1, 2013, for trucks with engine model year 1994-1999, and on January 1, 2014, for trucks with engine model year 2000-2002, air districts must confirm, prior to application approval, that any

*baseline vehicle to be replaced with fleet modernization funding meets the reporting requirements in title 13, CCR, section 2025(r)(17)(C). The owner must then provide written evidence to the air district, within 60 days of vehicle purchase, that the replacement vehicle has met the same reporting requirements.*

*Participant contracts must include a provision that requires the vehicle to operate exclusively in NOx exempt areas of the state as defined in title 13, CCR, section 2025(d)(55). Fleet modernization projects in NOx exempt areas must meet all other eligibility criteria described in Chapter IV of the Carl Moyer Program Guidelines.*

### Revision 3

*Section IV(c) and IV(d): Add eligibility for medium heavy-duty vehicles*

*IV(c)(4) Weight Class: The existing vehicle must meet the criteria for either a medium heavy-duty vehicle or a heavy heavy-duty vehicle, as defined below:*

- i. To qualify for medium heavy-duty (MHD) funding levels, eligible vehicles must have a manufacturer Gross Vehicle Weight Rating (GVWR) of 19,501 or greater. GVWR may be documented with a photo of the engine tag or a copy of the manufacturer build sheet.*
- ii. To qualify for heavy heavy-duty (HHD) funding levels, eligible vehicles must have been registered by DMV with declared Combined Gross Vehicle Weight (CGW) range or declared Gross Vehicle Weight (GVW) range greater than 60,000 pounds. Verification of the declared CGW or GVW must be identified on the vehicle registration for the previous two years. DMV weight codes K, L, M, and N are greater than 60,000 pounds.*

*If two years of CGW or GVW documentation is not available, then the vehicle must meet all of the following conditions to be eligible:*

- 1. The horsepower of the existing engine must be greater than 250 horsepower, and*
- 2. Vehicle must have a manufacturer GVWR greater than 33,000 pounds. Declared CGW or GVW may not be used to satisfy this criteria, and*
- 3. Current and valid vehicle registration must identify declared CGW greater than 60,000 pounds, and*
- 4. Manufacturer verification of GVWR and horsepower must be provided with the application.*

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*IV(d)(8) Weight Class: If the existing vehicle qualified for funding as a heavy heavy-duty vehicle, then the replacement vehicle must be registered by DMV with a declared Gross/Combined Gross Vehicle Weight Range greater than 60,000 pounds. If the existing vehicle qualified for funding as a medium heavy-duty vehicle, then the replacement vehicle must have a manufacturer GVWR between 19,501 through 33,000 pounds, and must be within 20 percent of the existing vehicle GVWR.*

Funding deadlines, model year eligibility, and other criteria are subject to change when regulatory changes are adopted.

If you have questions regarding these changes, please contact Peter Christensen, Air Pollution Specialist at (916) 322-1520 or via e-mail at [pchriste@arb.ca.gov](mailto:pchriste@arb.ca.gov).

Sincerely,

/s/

Robert H. Cross, Chief  
Mobile Source Control Division

cc: Peter Christensen  
Air Pollution Specialist  
Planning and Regulatory Development Section