Air Resources Board



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October 5, 2010

Mail-Out #MSC 10-42

TO: All Interested Parties

SUBJECT: CARL MOYER PROGRAM: CLARIFICATION REGARDING

PREVIOUSLY FUNDED PROJECTS SEEKING REPLACEMENT

FUNDING

This mail-out provides clarification to the 2008 Carl Moyer Program Guidelines (Guidelines), Part III, Program Administration, section 29(d)(1), related to the Disclosure of Funds statement:

"The disclosure statement shall certify that once the owner or designee signs the project contract, the owner or designee shall not submit another application or sign another contract for the same specific project (such as repowering of the project engine) with any other source of funds, including but not limited to other districts or ARB (for a multi-district solicitation). An owner or designee may receive funding from multiple air districts or grant programs if these entities are coordinating to jointly fund the project."

Carl Moyer Program (CMP) participants that received funding and are still under contract may not receive subsequent funding for the same project through the CMP, the Voucher Incentive Program (VIP), the Goods Movement Emission Reduction Program (GMERP), or any other program.

Air districts may be asked by CMP participants to shorten the contract term for previously funded projects. If an air district chooses to amend contracts, the amended project must be cost-effective during the reduced contract term, based on the cost-effectiveness value that applied when the original contract was executed. If an air district agrees to accept a prorated repayment of the CMP grant, the repayment and amended contract execution must both occur prior to applying for subsequent funding.

In addition, any emissions reductions that were previously funded are part of the baseline and must not be included as emissions benefits of the subsequent project. The following scenario provides an example. An on-road truck owner received CMP funding for a verified retrofit device that reduced particulate matter (PM) by 85 percent

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and oxides of nitrogen (NOx) by 25 percent. The truck owner submits an application for GMERP funding to replace the retrofitted truck with a new truck. In this case, the GMERP emission benefit analysis must not include PM reductions, and must reduce the NOx baseline by 25 percent, since those reductions were already funded and are part of the baseline emissions.

Finally, in order to help ensure that projects do not violate this requirement, Air Resources Board (ARB) staff will add a new component to the compliance check process. Air districts already provide ARB staff with Vehicle Identification Numbers (VIN) for on-road vehicles in all accepted CMP and GMERP applications for the purpose of conducting a compliance check to identify any outstanding violations. In addition to the existing on-road compliance check process, ARB staff will now cross reference the VIN numbers with existing projects in the Carl Moyer Program database (CARL database) to identify vehicles that previously received funding. Air districts that fund on-road projects through other funding sources are encouraged to provide VIN numbers to their CMP liaison for a compliance check and VIN cross reference.

For all marine and locomotive project applications submitted to GMERP, ARB staff will cross reference engine serial numbers with the CARL database. Air districts that receive marine or locomotive applications for CMP funding are encouraged to provide engine serial numbers to their CMP liaison for a cross check with the CARL database.

This clarification is effective immediately.

If you have any questions or need further clarification, please contact Peter Christensen, Air Pollution Specialist, at (916) 322-1520 or pchriste@arb.ca.gov.

Sincerely,

/s/

Robert H. Cross, Chief Mobile Source Control Division

cc: Peter Christensen
Air Pollution Specialist
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