



Air Resources Board



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Mail-Out # MSC 13-07

TO: All Interested Parties

SUBJECT: USE OF NEW REPLACEMENT ENGINES IN CARL MOYER PROGRAM
OFF-ROAD REPOWER PROJECTS

This mail-out provides background on incentives for off-road replacement engines and presents Air Resources Board's (ARB) determination that repower projects utilizing replacement engines in accordance with California's regulations are eligible for Carl Moyer Program funding.

BACKGROUND

What is a Replacement Engine?

A replacement engine is used to repower existing equipment that is already in service, and generally is used when repowering with the cleanest current tier engine is not possible due to technical restrictions or other constraints. More formally, a "replacement engine" is a new engine identical in all material respects to a previously certified engine of an emissions tier prior to that required for current model year engine families. Replacement engines are exempt from certification, but must comply with the requirements and obligations that would otherwise apply had they been covered by an Executive Order (e.g., labeling and warranty provisions).

California's Replacement Engine Requirements

California regulations, implemented under authorization granted by the U.S. Environmental Protection Agency (U.S. EPA), establish emission standards for new off-road compression ignition (CI) engines. These regulations include procedures for the use of new replacement engines to repower existing off-road equipment (in title 13, California Code of Regulations (CCR), section 2423(j)). The California replacement engine provisions provide that fleets must use the highest-tiered cleanest emission engine available when repowering off-road equipment and vehicles. For example, if at this time, new engine manufacturers are required to produce Tier 4 Final engines for a specific horsepower range, a Tier 4 Final engine must be used to repower in-use equipment and vehicles that had been using a comparably sized horse-powered engine, unless it has characteristics which make it unable to be used in the particular equipment

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>.

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to be repowered. In such a case, the equipment owner would be required to use an Interim Tier 4 engine, unless that engine also cannot work in the equipment, in which case a Tier 3 engine must be used. California's replacement engine provisions allow new engine manufacturers to produce lower-tiered engines for the purpose of having engines meeting the most stringent emission standards available for engine repowers for existing equipment.

Off-Road Repower Projects and Funding through the Carl Moyer Program

Chapter 7, section D.2.(C) of the Carl Moyer Program Guidelines (Moyer Guidelines) allow use of replacement engines to repower in-use equipment with engines meeting the previous tier if repowering with an engine meeting the current tier is not technically feasible, is not safe, or is not available. The Moyer Guidelines require that the baseline (existing) engine be in operation to be eligible for funding. The Moyer Guideline requirements are consistent with California's federally authorized new off-road CI engine regulations, including the replacement engine provisions.

POLICY

Having received authorization from U.S. EPA, California's replacement engine provisions are applicable to California certified engines covered by the authorization and compliance therewith does not conflict with federal law. Therefore, in accordance with CCR, section 2423(j), engine manufacturers may make new previous tier replacement engines available for use in equipment that operates in California, and such engines may qualify for Moyer funded repower projects.

If you have any additional questions or need further clarification, please contact Rhonda Runyon, Air Pollution Specialist, at (616) 350-6551 or via email at rrunyon@arb.ca.gov.

Sincerely,

/s/

Annette Hebert, Chief
Mobile Source Control Division

cc: Rhonda Runyon
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