Air Resources Board



Matthew Rodriquez Secretary for Environmental Protection

Mary D. Nichols, Chair

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DATE: June 28, 2016 Mail-Out #MSC 16-06

TO: All Interested Parties

SUBJECT: SECOND PUBLIC WORKSHOP TO CONSIDER CHANGES TO THE

CARL MOYER PROGRAM GUIDELINES TO IMPLEMENT SB 513

The Air Resources Board (ARB or Board) invites you to provide additional input on the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program), as changes are considered to reflect new opportunities provided by Senate Bill (SB) 513 (Beall), which became effective January 1, 2016.

The meeting will be held at the following time and place:

Date: Wednesday July 27, 2016

Time: 1:00 pm - 3:00 pm

Place: California Environmental Protection Agency

Sierra Hearing Room, 2nd floor

1001 I Street, Sacramento, California 95814

This meeting will be webcast for those unable to attend in person. The broadcast can be accessed on the day of the workshop at http://www.calepa.ca.gov/broadcast/. Information on submitting questions or comments will be provided during the webcast for remote participants.

Additional information and directions to the workshop may be found at http://www.arb.ca.gov/msprog/moyer/2017guideline.htm. The workshop presentation will be posted at the above link prior to the workshop. This is the second public workshop to consider changes to the Carl Moyer Program Guidelines to implement SB 513. The presentation for the first workshop is also available on the website above. ARB staff plans to release draft Guidelines for 45-day public review prior to Board consideration in early 2017.

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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Background

Since 1998, the Carl Moyer Program has provided financial incentives to upgrade vehicles and equipment that achieve emission reductions earlier or greater than those required by regulations. ARB oversees the Carl Moyer Program and publishes the program Guidelines that provides a framework for administering the program, while air districts implement the program based on their local needs and priorities.

SB 513 offers an opportunity to make significant improvements to the program. The legislation was informed through a collaborative process that included public stakeholders and staff from ARB and the local air districts. The collaborative process found that the incentives landscape had changed significantly since the creation of the Carl Moyer Program, and recommended a number of changes to allow the Carl Moyer Program to contribute significant emission reductions alongside implemented regulations, advanced clean technologies, and other incentive programs. SB 513 incorporates many of these recommendations and provides direction to implement them through the guidelines development process.

Several changes have been incorporated already, most notably revisions to provide needed flexibility to fund cleaner school bus projects. Effective on January 1, 2016 the Carl Moyer Program guidelines were modified to provide school districts with additional opportunities for funding to replace the oldest, highest-polluting buses. However, to address the more complex changes introduced by SB 513, additional revisions are required. The workshops are to gather input from the public on potential changes.

Changes Under Consideration

To implement SB 513, the program must be modified to address the following areas:

- Cost-effectiveness values based on the cost of technology and adopted regulations and rules.
- Extension of leveraging opportunities to allow for co-funding of projects with other sources of funds.
- Program guidance for funding infrastructure projects.
- Guidance for funding existing source categories including on-road trucks and buses, off-road equipment, portable and stationary agricultural engines, marine vessels, locomotives, and light-duty vehicles.
- Methods to simplify administration of the program while retaining accountability.

Input is invited on these and any other areas of concern to the public.

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<u>Accommodations:</u> The workshop facilities are accessible to persons with disabilities. If you require special accommodations or need this document in an alternate format (e.g. Braille, large print) or another language, please contact Kyle Goff, Air Pollution Specialist, at (916) 324-1988 or via email at Kyle.Goff@arb.ca.gov as soon as possible. TTY/TDD/Speech to Speech users may dial 711 for California Relay Service.

If you have any questions regarding the Carl Moyer Program changes, please contact Neva Lowery, Air Pollution Specialist, at (916) 324-1209 or via email at Neva.Lowery@arb.ca.gov.

Sincerely,

/s/

Jack Kitowski, Chief Mobile Source Control Division

cc: Neva Lowery
Air Pollution Specialist
Mobile Source Control Division

Kyle Goff Air Pollution Specialist Mobile Source Control Division All Interested Parties June 28, 2016 Page 4

bcc: Scott Rowland, MSCD

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