

CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC MEETING TO CONSIDER A STATUS UPDATE ON THE CARL MOYER MEMORIAL AIR QUALITY STANDARDS ATTAINMENT PROGRAM;
INCENTIVES FOR LOWER EMISSION HEAVY-DUTY ENGINES (THE CARL MOYER PROGRAM)

The Air Resources Board (Board or ARB) will conduct a public meeting at the time and place noted below to consider a status update on The Carl Moyer Program. The Carl Moyer Program guidelines were approved on February 25, 1999, and \$25 million was appropriated through the 1998/1999 fiscal year (FY) budget process for the first year of the program. The approved guidelines provide air quality management and air pollution control districts (districts) with guidance for administering their own programs and criteria to evaluate and select reduced-emission heavy-duty engine projects. In June 1999 award letters were sent to the participating air pollution control and air quality management districts (districts) to administer their programs. ARB staff has prepared a written report explaining the progress of the Carl Moyer Program to satisfy the requirement in Assembly Bill 1571 (Brulte/Villaraigosa), that the ARB prepare a report to the legislature on program status by January, 2000. This notice contains a brief explanation of the Carl Moyer Program and the participating districts' progress toward expending the 1998/1999 FY funding. A summary of the detailed report will be presented to the Board at the meeting.

DATE: January 27, 2000

TIME: 9:30 a.m.

PLACE: South Coast Air Quality Management District
Auditorium
21865 East Copley Drive
Diamond Bar, CA 91765

The item will be considered at a two-day meeting of the Board, which will commence at 9:30 a.m., January 27, 2000, and will continue at 8:30 a.m., January 28, 2000. This item may not be considered until January 28, 2000. Please consult the agenda for the meeting, which will be available at least 10 days before January 27, 2000, to determine the day on which this item will be considered.

This facility is accessible to persons with disabilities. If accommodation is needed, please contact Ms. Lucina Negrete at (916)327-2938 or TDD(916)324-9531 or (800)700-8326 for TDD calls from outside the Sacramento area 14 days before January 27, 1999.

BACKGROUND

Heavy-duty engines contribute over 40 percent of oxides of nitrogen (NOx) emissions, a smog-forming pollutant, despite being less than the five percent of the vehicles. In

addition, the fine particulate matter exhaust from heavy-duty diesel engines has been identified as a toxic air contaminant. The ARB's 1994 State Implementation Plan for Ozone (1994 SIP) contains many emission reduction measures, including a number of measures to reduce emissions from heavy-duty diesel engines. These measures include mandatory emission standards and voluntary incentive measures. Stringent new engine emission standards will result in 80 to 90 percent of the expected NOx reductions called for in the SIP. The additional emission reductions needed to reach 100 percent will have to be achieved through incentive programs.

Through the 1998/1999 FY budget process, \$25 million was allocated to fund an incentive program designed to reduce NOx emissions from heavy-duty diesel engines. As such, in February 1999, the Board approved the Carl Moyer Program to provide grants to districts to administer a program and fund projects that reduce NOx emissions. In the summer of 1999, \$24.5 million (the remaining \$500,000 is for ARB's administration costs) in grant awards were issued to participating districts. Immediately thereafter, initial funding disbursements were distributed to participating districts and districts began soliciting and selecting projects to fund under the 1998/1999 FY Carl Moyer Program.

In August 1999, Governor Gray Davis and the Legislature appropriated an additional \$23 million (\$4 million for infrastructure and advanced technology, and \$19 million for projects that reduce NOx emissions) in the 1999/2000 FY budget to continue funding the Carl Moyer Program. In October 1999, Governor Gray Davis signed Assembly Bill 1571, which was written to provide legislative authority to ARB to administer the Carl Moyer Program with \$19 million to fund projects. ARB is currently mailing a letter soliciting all districts to apply for the 1999/2000 FY funding under the Carl Moyer Program, and tentatively allocating 1999/2000 FY funds. ARB anticipates Initial disbursements to begin in January, 2000.

DISTRICT PROGRESS

In summer 1999, ARB issued initial funding disbursements from the \$25 million appropriated to the Carl Moyer Program through the 1998/1999 FY budget process. Funding was distributed to 16 air pollution control and air quality management districts participating in the Carl Moyer Program. With only six months into the program, over \$80 million in project funding was requested. To date about \$20.8 million has been obligated to qualifying projects. The overwhelming request for funding has proven that there is a need for continued funding. Hence, a second letter is currently being sent to all air pollution control and air quality management districts soliciting program applications for the \$19 million in Carl Moyer Program funding that was appropriated through the 1999/2000 FY budget. ARB will begin distributing funds to non-attainment districts in January, 2000. The attainment districts are scheduled to receive initial disbursements by early March, 2000.

NOx reductions from this program are estimated to be about four tons per day with average program cost-effectiveness ranging from \$1,111 to \$4,561 per ton of NOx reduced. If funding for the Carl Moyer Program were to continue at \$25 million per year for five years, ARB staff anticipates this program would achieve about 20 tons per day of NOx

reduced. The types of projects funded by the districts under the Carl Moyer Program include: on-road and off-road heavy-duty, agricultural pump, and marine vessel engine diesel-to-diesel repowers; natural gas heavy-duty trucks, school buses, urban transit buses, and locomotives; electric forklift purchases; and a forklift demonstration program in the South Coast. Some of the small districts are still obligating funds to qualifying projects under the 1998/1999 FY funds. Some of the large districts, however, have obligated those funds and are currently applying to ARB for additional funds, or soliciting request for proposals (RFPs).

AVAILABILITY OF DOCUMENTS AND CONTACT PERSON

The written report updating the Board on the progress of the Carl Moyer Program will be presented by the ARB staff at the meeting. Interested members of the public may also present comments orally or in writing. Written comments must be filed with the Board Secretary, Air Resources Board, P.O. Box 2815, Sacramento, California 95812, no later than 12:00 noon January 26, 2000, and received by the Board Secretary at the meeting. Twenty copies of any written statement should be submitted.

Copies of the written report prepared by staff may be obtained from the Board's Public Information Office, 2020 L Street, Sacramento, CA 95814, (916) 322-2990, at least 30 days prior to the scheduled meeting. This report will also be available electronically on ARB's website at www.arb.ca.gov. Further inquiries regarding this matter should be directed to Lucina Negrete, Air Pollution Specialist, at (916) 327-2938, P.O. Box 2815, Sacramento, California, 95814.

SUBMITTAL OF COMMENTS

The public may present comments relating to this matter orally or in writing. To be considered by the Board, written submissions must be addressed to and received by the Clerk of the Board, Air Resources Board, P.O. Box 2815, Sacramento, CA 95812, no later than 12:00 noon, January 26, 2000 or received by the Clerk of the Board at the meeting. The Board requests, but does not require, that 20 copies of any written

statements be filed at least ten days prior to the meeting. The Board encourages members of the public to bring to the attention of staff in advance of the meeting any suggestions or comments.

CALIFORNIA AIR RESOURCES BOARD

/s/

Michael P. Kenny
Executive Officer

Date: December 28, 1999