To: Jim Provenza, Chair

and Members of the Board of Directors

From: Mat Ehrhardt, P.E., Executive Director/APCO

Date: November 10, 2021

Subject: Carl Moyer Program

Recommended Action

This is an informational report only.

Background

The Carl Moyer Program is a voluntary grant program that reduces air pollution from vehicles and equipment by providing incentive funds to private companies and public agencies to purchase cleaner-than-required engines, equipment, and emission reduction technologies. The program has been implemented since 1998 through a partnership between the California Air Resources Board (CARB) and California's 35 local air pollution control and air quality management districts. By funding emission reductions that are surplus -- earlier and/or beyond what is required by regulation -- the Moyer Program complements California's regulations. One of the first voluntary emission reduction programs implemented by CARB, it is named after the late Dr. Carl Moyer, a key figure in developing creative solutions to California's air quality challenges.

The Moyer Program typically provides about \$60 million for projects each year statewide, funded through tire fees and smog impact vehicle registration fees. For this upcoming year, the projected revenue is substantially higher at \$235 million, including Moyer and Moyer Reserve.

Regional Program

Historically our District has authorized the SMAQMD to administer our allocation of Moyer funding. The most cost effective use of the Moyer Program funding has been in the agricultural sector, as it is largely unregulated in terms of vehicles (tractors). Because our District has a larger agricultural segment than Sacramento County, our District has benefited greatly by being in a regional program.

In addition to funding agricultural tractors, the regional program has also funded school buses in Yolo-Solano, a locomotive that operates through the region, and alternative fuel infrastructure.

Funding options

Per the Moyer guidelines, the District can fund projects in the following categories:

- Off-road vehicles or equipment
- On-road vehicles (generally replacement with zero emission vehicles)
- Locomotives
- Marine vessels
- Light-duty vehicles
- Infrastructure

The Moyer program provides incentive grants for "cleaner than required" engines, equipment and other sources of pollution providing early or extra emission reductions. Moyer cannot be used to pay for

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compliance with a regulation. In most cases, projects must be completed 3 years prior to a compliance deadline (e.g. ARB's off-road or on-road diesel regulations).

Neighboring District's Moyer Programs

Placer County APCD

- Agricultural portable and stationary engine repower and infrastructure (Tier 3 only)
- Alternative Fuel Infrastructure
- Heavy duty on and off-road equipment replacement, repower, and retrofit (small fleets only)
- School bus replacement

Feather River AQMD

- Stationary diesel agricultural engines (Tier 1/Tier 2)
- Agricultural off-road equipment repower, retrofit, or replacement
- Portable agricultural equipment replacement
- Other (non-ag) off-road equipment repower, retrofit, or replacement (must be in compliance with DOORS)

Sac Metro AQMD

- Farm tractors
- Locomotive engine repower
- Low carbon fueling infrastructure
- Marine vessel repower
- Refuse truck replacement
- Rough terrain forklift replacement
- Zero emission school bus replacement

Recommendation

Provide direction to staff, on which categories to pursue development of.