



## Notice of Funding Opportunity

**Title:** South Coast AQMD – 2021 Carl Moyer Memorial Air Quality Standards Attainment Program  
**Website:** <http://www.aqmd.gov/home/programs/business/business-detail?title=heavy-duty-engines&parent=vehicle-engine-upgrades>  
**Funding:** Total: \$36,000,000. Maximum awards: \$30K-\$100K cost-effective limits.  
**Dates:** Application Submission Deadline: June 1, 2021 at 1PM

**Summary:** The South Coast Air Quality Management District (South Coast AQMD) is pleased to announce the availability of funds for the Carl Moyer Memorial Air Quality Standards Attainment Program (hereafter “CMP”). The CMP has played a significant role in incentivizing equipment owners to purchase cleaner-than-required engines, vehicles and equipment. This year marks South Coast AQMD’s 23rd year of CMP implementation. The CMP is intended to obtain “surplus” emission reductions of Nitrogen Oxides (NOx), Particulate Matter (PM10) and Reactive Organic Gases (ROG) from heavy-duty vehicles and other equipment operating in California as early and as cost-effectively as possible. The CMP provides financial incentives to equipment owners to repower, retrofit or replace in-use heavy-duty vehicles and equipment with cleaner-than-required engine and equipment technologies that will achieve emission reductions that are real, surplus, quantifiable and enforceable.

### Project Topic Areas:

#### On-Road Projects

On-Road project types include vehicle replacement and repower/conversion projects. Applicants will be required to demonstrate compliance with applicable laws and regulations, including labor laws. Eligible on-road equipment include:

- Heavy-duty trucks with gross vehicle weight rating (GVWR) > 14,000 lbs
- Transit vehicles
- Solid Waste Collection vehicles
- Public agency and utility vehicles
- Emergency vehicles

#### Off-Road Projects

Off-road equipment includes propulsion engines greater than 25 horsepower. Replacement and repower/conversion projects should be a cleaner-emission certified engine meeting the current off-road emission standards. Retrofits must have a verified diesel emission control strategy. Portable equipment is not eligible for Carl Moyer Program funding. Eligible off-road equipment include:

- Construction & industrial equipment
- Agricultural tractors
- Marine engines
- Zero-emission cargo handling equipment
- Shore power projects surplus to CARB’s At-Berth Regulation
- Locomotive projects certified to Tier 4 standards or cleaner

#### Infrastructure Projects

Infrastructure projects that enable the deployment of near-zero and zero-emission heavy-duty vehicles and equipment to support the state’s air quality goals. Eligible infrastructure projects include:

- Battery charging stations
- Alternative fueling stations using renewable fuel source
- Other projects may be reviewed on a case-by-case basis

### Funding:

Approximately \$36 million is available for eligible projects within the South Coast AQMD’s four-county jurisdiction. At least 50 percent of South Coast AQMD’s CMP funds are targeted for projects that meet the



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criteria of a disadvantaged or low-income community. The sum of all grants and other funds applied toward the project shall (1) not exceed the total project cost for public agency applicants and (2) not exceed 85% of the total project cost for non-public agency applicants. In other words, the grantee must pay at least 15 percent of the project cost from non-public sources. The emission reductions paid for by the CMP shall not be claimed by the other funding sources.

### **Project Requirements:**

The Carl Moyer Program grants are based on the cost-effectiveness and emission benefits of the project.

1. Result in surplus emissions reductions beyond current regulations.
2. Fleet must be in compliance with applicable laws and regulations.
3. Meet the cost-effectiveness limit(s) of the Carl Moyer Program.
4. Non-public entities must provide at least 15 percent of the total project cost from non-public sources.
5. Operate at least 75% of the time within the South Coast AQMD for most projects.
6. The older vehicle/equipment must be scrapped.
7. For repower and replacement projects, the engine must achieve a NOx emissions benefit of at least 15%.

Applicant must commit that project engines or equipment operate in service for the full project life, a minimum of three years (with the exceptions of 1-year life for on-road and 2-year life for small off-road fleets), and at least 75% of annual operation must occur within the South Coast AQMD except for line-haul locomotives. The locomotives may be eligible for funding with a minimum of 51% annual operation within the South Coast AQMD. To be eligible for CMP funds, projects must meet the criteria described in the 2017 Carl Moyer Program Guidelines and all subsequent advisories to the Guidelines. Projects must also be in compliance with applicable California Air Resources Board (CARB) regulations.

A project's cost effectiveness is determined based on the annualized cost of the project and the amount of NOx, ROG and PM10 emission reductions that will be achieved by the project. The CMP award amount shall not exceed the project's incremental cost, applicable funding caps and/or cost-effectiveness limit(s). The "Step 1" cost-effectiveness limit, \$30,000 per weighted ton of emissions reduced, applies to projects that bring vehicles and equipment up to current standards. The "Step 2" cost-effectiveness limit, \$100,000 per weighted ton of emissions reduced, applies to projects that are zero-emission or meet the cleanest certified optional standard applicable (by source category).

Applicants must provide vendor quotes with their application to document the cost of the low- or zero-emission vehicle/equipment project. Applicants may be awarded up to the designated percentage of total cost for the specified type of project (new purchase, repower replacement and/or retrofit, infrastructure), subject to funding caps and program cost-effectiveness limits. Eligible costs include installation labor and sales tax. All quotes must have been obtained within 90 days prior to the application submittal date. Projects must provide for appropriate recordkeeping during the project life (i.e., annual mileage, fuel consumption and/or hours of operation), including submission of annual reports. Projects must be fully in operation within eighteen (18) months of contract execution or by May 5, 2023, whichever is earlier.

### **Eligible Applicants:**

Any owner of an eligible heavy-duty on-road or off-road project, marine vessel or locomotive, public or private can apply for Carl Moyer Program incentives. In addition, infrastructure projects to fuel or power a zero- or near-zero emission, heavy-duty vehicle or equipment, including but not limited to: on-road heavy-duty vehicles, cargo handling equipment, and marine vessels (shore power) are also eligible. Engines operating under a regulatory compliance extension granted by CARB, an air district or the United States Environmental Protection Agency (U.S. EPA) are not eligible for funding.