

# **Monterey Bay Air Resources District Diesel Engine & Equipment Replacement Grant Program**

**Application Workshop**

**January 11, 2023**

# What is the Diesel Engine and Equipment Replacement Program?

“provides grant funding to encourage the voluntary purchase of cleaner-than-required engines, equipment, and emission reductions technologies.”

- Carl Moyer Program Guidelines

**Compliments regulations to obtain early or  
“surplus” emissions reductions**

(Not otherwise achieved through regulations)

# Funding Sources

- Carl Moyer Memorial Grant Program
  - ~\$1.25 Million Allocated
- Funding Agricultural Replacement Measures for Emission Reductions (**FARMER**) Program
  - Provides funding for agricultural harvesting equipment, heavy-duty trucks, ag pump engines, tractors, and other equipment used in ag operations
  - ~\$1.3 Million Allocated
- Community Air Protection Program (**CAPP**)
  - Focus is to reduce exposure in communities most impacted by air pollution.
  - Funding on project-by project-basis as funds are available

# Workshop Purpose/Outline

## **Purpose**

- Increase chances of a project's success by encouraging the completion of thorough and accurate applications

## **Outline**

- Identify Project Types
- Project Eligibility
- Application Requirements
- Project Evaluations
- Project Ranking
- Demonstration

# Project Types

- Agricultural Irrigation Pumps
- Marine Vessels
- Off-Road Equipment Replacement











# Eligibility (for all projects)

- Project provides surplus emission reductions (3 years)
- At least recent 2 years documentation of usage (hours)
- Based in the District
  - 75% of the use must be in California (mobile/portable)
- Legible serial numbers
- **In compliance** with Air District/CARB Regulations

# Eligibility (continued)

- Documentation Establishing Ownership of baseline
  - Bill of Sale
  - Maintenance/service/fuel records
- Evidence of **operational** condition of baseline
  - **Within past year**
  - Maintenance/service/usage records tied to hours of use
  - Employee timesheets connected to equipment
- Have taken no action to procure, order, take delivery of, or purchase equipment.
  - Only after contract execution (signed by both parties)

# Irrigation Pump Electrification - Eligibility Criteria

- Engine must be  $\geq 25$  horsepower
- Must already be registered with the District
- Maximum funding of 50 % (up to \$150,000)

# Irrigation Pump App Checklist

- Photographs of the existing engine
- Price quote for replacement equipment
- At least the most recent 2 years of usage records

# Marine Vessel - Eligibility

- Operating hour meter
- $\geq 25$  horsepower
- 2 years documentation of usage in California
- Submitted Initial Report per Commercial Harbor Craft Reg
- Repower must be completed at least 3 years prior to in-use compliance date

# Marine Vessel App Checklist

- Photographs of the engine, hour meters
- Price quote for replacement engine
- Usage records (hour meter readings)
- Copy of Commercial Harbor Craft Reg. Initial Report

# Off-Road Equipment Eligibility

- $\geq 25$  horsepower
- Baseline Engine must be Tier 0 - 3 rating
- Equipment registered in DOORS (except agricultural)
- Must have operational hour meter



# Off-Road Equipment Checklist

- Price quote for replacement equipment
- Usage records
- Copy of DOORS report (if applicable)
- Documentation Establishing Ownership
  - Bill of Sale
  - Maintenance/service/fuel records
- Evidence of operational condition
  - Maintenance/service/usage records tied to hours of use
  - Employee timesheets connected to equipment

# DOORS Snapshot Example

**DOORS Disclaimer**

Fleet Compliance Snapshot  
As of: Today (May 8, 2018) Refresh Fleet Data

**Your fleet, as currently reported, has met the off-road regulation performance requirements through the January 1, 2023 compliance date. Per regulation section 2449.1, you will need to take action prior to December 31, 2023 in order for your fleet to be in compliance on January 1, 2024. Your first fleet compliance date has been extended due to the smallest engine rounding provision.**

\*This determination is based on the make up of your CURRENT fleet in DOORS, which includes age and horsepower of engines, retrofits (if any), vehicles sold (credits, if any), exempt vehicles such as Low-Use (if any), subfleets (if any), and other credits (if any).

Current Fleet Statistics	
Fleet Size:	Small (based on parent, DOORS ID [REDACTED])**
Number of Vehicles:	
In Fleet Average:	1
Low-Use:	0
Exempt Not Low-Use:	0
Vehicles in Fleet:	1
Horsepower (in fleet average):	80
Total Fleet Horsepower:	80
Family Horsepower (including all child fleets)**:	80
First Compliance Date:	January 1, 2019
Next Required Compliance Date:	January 1, 2024

Fleet Target and Average Emission Rates (g/bhp-hr)										
January 1, Year	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Target	7.1	6.7	6.2	5.5	4.8	4.1	3.4	2.7	2.0	1.4
Average	6.9									

Requirements	
Your Current Fleet Average:	6.9

To be in compliance each year, the fleet average must be lower than or equal to the fleet target, OR the fleet must meet the required BACT amount. For more information, please see the [FAQs on Fleet Average](#) and [BACT](#).

Compliance Summary						
Compliance Date	Begin Credit	Credit Use/Expired	End Credit	In Compliance?	Compliance Method	BACT Requirement
2019-01-01	0	0	0	yes	met fleet average	na
2020-01-01	0	0	0	yes	smallest engine rounding*	10% * 80 = 8
2021-01-01	0	0	0	yes	smallest engine rounding*	8 + 10% * 80 = 16
2022-01-01	0	0	0	yes	smallest engine rounding*	16 + 10% * 80 = 24
2023-01-01	0	0	0	yes	smallest engine rounding*	24 + 10% * 80 = 32
2024-01-01	0	0	0	no	action need	32 + 10% * 80 = 40
2025-01-01	0	0	0	no	action need	10% * 80 = 8
2026-01-01	0	0	0	no	action need	10% * 80 = 8
2027-01-01	0	0	0	no	action need	10% * 80 = 8
2028-01-01	0	0	0	no	action need	10% * 80 = 8

\* BACT requirement will be postponed to next year. Refer to regulation [section 2449.1\(b\)\(5\)](#)

# Application Requirements

- Every field must be filled! – use **“N/A”** if **doesn't apply**
- Too many blank fields = returned application
- Provide meter readings, earliest & most recent
- Provide at least 2 years of usage records. If no records, start now and apply in two years
- Provide proof of ownership
- Quote for base equipment, no add-ons; buckets, etc.

# Application Requirements (cont.)

- Max. of 2 contracts per Grantee at any time
- More than one application may be submitted if there are numerous viable projects
- Not accepted from grantees with 2 contracts (unless expiring in within the following year)
- Not accepted from grantees failing to meet contract obligations
- Choose 2-for-1 or 1-for-1; not both

# Project Evaluation

- Determine project eligibility
- Determine grant amount based on cost effectiveness (CE)
  - Maximum of \$34,000/ton of emissions reduced
- Rank projects based on CE per tons of emissions reductions (\$/tons) at minimum project life

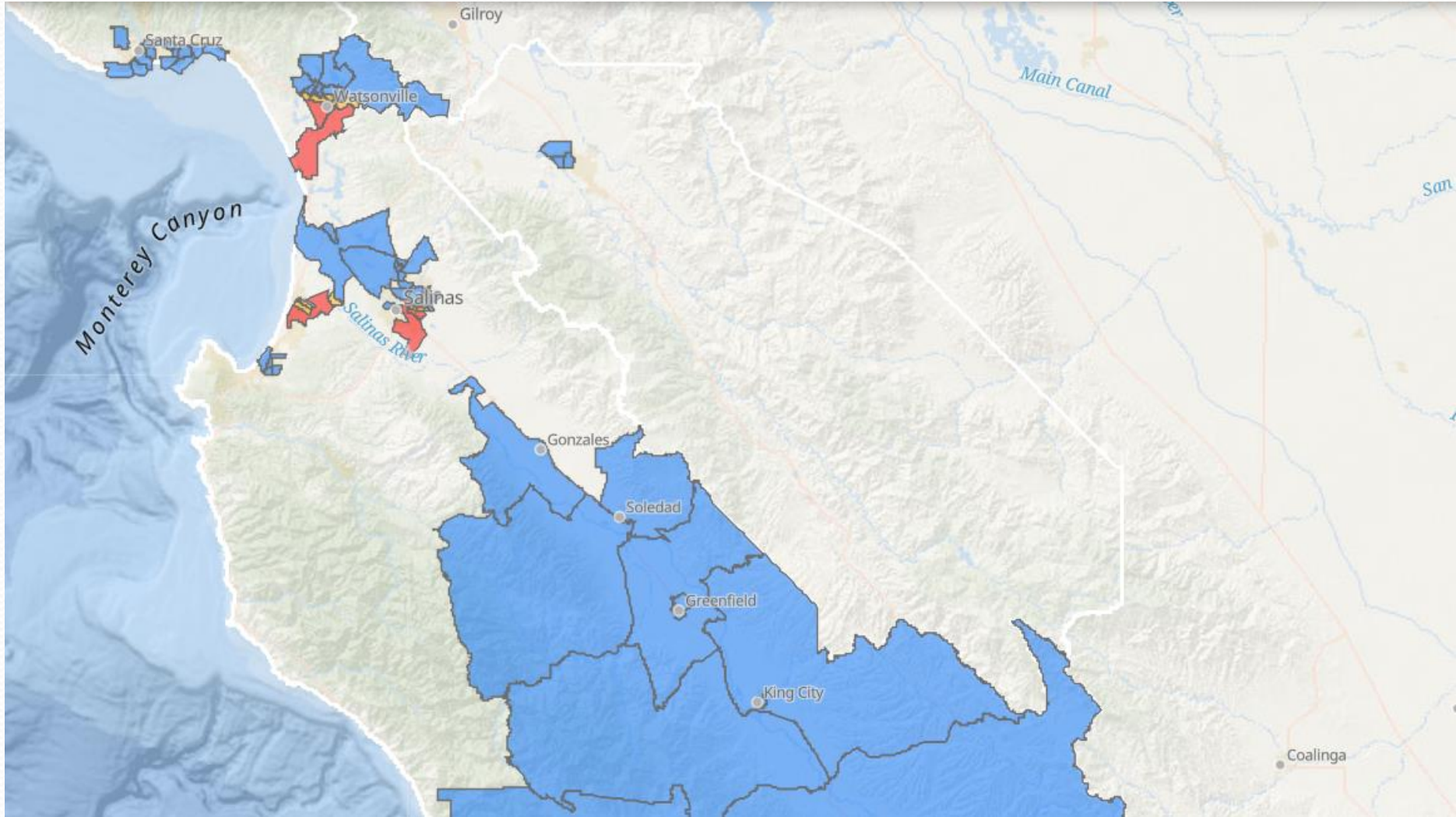
# Project Evaluation

- Annual use will be based on hour meter readings.
- If unavailable, fuel receipts on a case-by-case basis
  - Not usually competitive
- Baseline equipment must be operational prior to execution of the grant agreement. Continue to use equipment!
- Failure to maintain baseline equipment operability and provide adequate evidence of usage can result in ineligibility to participate in the grant program.

# Project Ranking

- Disadvantaged communities
- low-income areas
- Electrification projects
- Cost-Effectiveness (CE) from most (lowest \$/ton of emissions) to least cost-effective
- Highest annual emission reduction
- Project funding will be limited to 50% or \$150,000 (whichever is less) for diesel-to-diesel repower and replacement projects and agricultural pump electrification projects.

# Priority Areas





# 2021 DEERP RANKING LIST

RANK	Application	Company	Notes	Potential Grant	Cost-Effectiveness	Annual Emissions Reduced	**DAC	Low-Income	1/2 Mile Buffer
1	DEERP093	Wente Family Estates, Wente Bros	Electrification	\$ 74,690.00	\$ 18,028.83	1.41	No	Yes	No
2	DEERP097	Wente Family Estates, Wente Bros	Electrification	\$ 74,690.00	\$ 19,326.52	1.31	No	Yes	No
3	DEERP067	Jackson Family Wines	Electrification	\$ 74,690.00	\$ 29,379.26	0.65	No	Yes	No
4	DEERP070	San Felipe Farms (2)		\$ 29,619.00	\$ 2,300.36	4.38	No	No	No
5	DEERP092	Rajkovich Brothers Partnership, L.P. (2)		\$ 34,367.00	\$ 2,419.61	4.83	No	No	No
6	DEERP125	Lazzerini Farms (2)	2-for-1 DEERP 019 & 020	\$ 70,838.00	\$ 2,939.35	8.19	No	Yes	No
7	DEERP116	Healthy Harvest Berries, Inc.		\$ 19,004.00	\$ 2,995.27	2.16	No	No	No
8	DEERP105	San Felipe Farms (2)		\$ 29,483.00	\$ 2,998.33	3.34	No	No	No
9	DEERP014	Cal-Pro		\$ 51,049.00	\$ 3,009.60	5.77	No	No	No
10	DEERP112	M. Rodoni & Co. (2)		\$ 87,178.00	\$ 3,693.64	8.02	No	No	No
11	DEERP028	Filice Farms (2)		\$ 32,530.53	\$ 3,734.17	2.96	No	No	No
12	DEERP017	A&D Christopher		\$ 51,049.00	\$ 3,739.09	4.64	No	No	No
13	DEERP101	Tanimura & Antle Fresh Foods, Inc.		\$ 21,258.00	\$ 3,797.23	1.903	No	Yes	No
14	DEERP012	Christopher Ranch		\$ 150,000.00	\$ 3,907.04	13.05	No	No	No

# Timeline

- Applications accepted - January 11 to March 24, 2023
- Ranking/Selection - April to June 2023
- Sign contracts - July to December/January 2023

# APPLICATION DEMO

<https://portal.laserfiche.com/x4671/forms/DEERP23>

[www.mbard.org](http://www.mbard.org)

# Resources

- CARB CMP Guidelines:

<http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm>

- Commercial Harbor Craft Regulatory Activities:

<http://www.arb.ca.gov/ports/marinevess/harborcraft.htm>

- Off-road diesel regulation:

<http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm>

- MBARD Diesel Engine and Equipment Replacement Program:

<https://www.mbard.org/diesel-engine-equipment-replacement-program>

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