BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Carl Moyer Memorial Air Quality Standards Attainment Program

Marine Project Fact Sheet

The Bay Area Air Quality Management District (Air District) is accepting applications for the Carl Moyer Memorial Air Quality Standards Attainment Program (CMP) beginning **July 14, 2014.** Marine projects eligible for funding include main or auxiliary engine replacement, engine remanufacture kits, engine retrofit and new vessel purchase.

Apply on-line at: www.baaqmd.gov/moyer

Before starting your application:

- Read this Fact Sheet.
- Understand any state fleet rules that may apply to your fleet. Information is available at ARB's website: http://www.arb.ca.gov/ports/marinevess/harborcraft.htm
- Start collecting information needed for your application.
- Contact your engine or equipment dealer to discuss possibilities for your equipment.
- Review Chapter 12 "Marine Vessels" of the current California Air Resources Board (ARB) 2011 Carl Moyer Program Guidelines at: http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm
- Contact Geraldina Grünbaum at (415) 749-4956 or ggrunbaum@baaqmd.gov with any questions.

CMP Marine Project Quick-Reference Guide

Eligible Projects	
Eligible marine projects	– ***Repower***: Replace an in-use engine with a new, lower-emission engine – ***Remanufacture Kit***: Installation of engine remanufacture kit that reduces the engine's emissions – ***New Vessel Purchase***: Purchase of a new marine vessel with propulsion and auxiliary engines certified to be at least 30% cleaner than the applicable oxides of nitrogen (NO_x) emission standard; funding for a new purchase is very limited and must be considered on a case-by-case basis. – ***Retrofit***: Installation of an CARB-verified diesel emission control strategy; funding for a retrofit device is very limited and must be considered on a case-by-case basis.
Eligible marine engines and vessels	– Propulsion or auxiliary engines 25 horsepower or greater – All new replacement engines must be certified to meet the appropriate EPA engine emission standard and provide at least a 15% NOx reduction compared to the old engine. – **Engines less than or equal to 100 horsepower are required to meet Tier 3 EPA standards, unless it can be demonstrated that the technology is technically infeasible or unavailable.** – Commercial vessels including, barge, crew, supply, dredge, excursion (tour), ferries, tugboats, towboats, commercial or charter fishing, pilot, work boats, and other vessels not subject to the Harbor Craft Regulation (HCR) in-use compliance requirements
Area of activity	The vessel must operate within California Costal Water Boundaries AND within the Air District jurisdiction (Alameda, Contra Costa, Marin, San Mateo, San Francisco, Santa Clara, and Napa counties, and the southern portions of Solano and Sonoma counties). See Chapter 12 Page 4 in the CMP guidelines for coordinates of California Costal boundaries. District boundaries range south of Bodega Bay through San Mateo County. http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm The Air District will prioritize projects that reduce emissions in the following impacted

<table>
<tr><td></td><td>communities: 1) Concord, 2) Richmond/San Pablo, 3) Western Alameda County, 4) San Jose, 5) Livermore, 6) Eastern San Francisco, 7) San Rafael, 8) Vallejo, and 9) Antioch/ Pittsburg. For a Priority Community Map, visit: http://www.baaqmd.gov/moyer.</td></tr>
<tr><td colspan="2">Eligible Funding and Project Costs</td></tr>
<tr><td>Maximum reimbursement percentage of total project costs eligible for Carl Moyer Program funding</td><td>
<table>
<tr><th colspan="2">Project Type</th><th>Maximum Eligible Funding</th></tr>
<tr><td>Barge, crew, supply, dredge, excursion, ferry, towboat, tugboat</td><td>Engine repower or remanufacture kit</td><td>50%</td></tr>
<tr><td rowspan="2">Fishing, pilot, work boat, other vessels not subject to Harbor Craft Regulation in-use compliance requirements</td><td>Engine repower or remanufacture kit compliant to Tier 2 emission standards</td><td>80%</td></tr>
<tr><td>Compliant to EPA Tier 3 emission level</td><td>85%</td></tr>
<tr><td colspan="2">Any vessel propulsion engine repower with an off-road Tier 2 or cleaner engine</td><td>Case-by-case basis*</td></tr>
<tr><td colspan="2">CARB-verified marine retrofit device</td><td>Case-by-case basis*</td></tr>
<tr><td colspan="2">New vessel purchase</td><td>Case-by-case basis*</td></tr>
<tr><td colspan="3">Shore power shore side: 50% of transformer and other equipment between vessel and transformer</td></tr>
<tr><td colspan="3">Shore power ship side: 100% of retrofit costs; percent of transformer costs</td></tr>
</table>
</td></tr>
<tr><td>Eligible marine costs</td><td>
– The capital cost of the new engine or remanufacture kit
– Purchase of or modifications to the cooling system; fuel and exhaust system; wiring, panel, and harness system; power take-offs; propulsion control system; gauges and alarms; and radiator and ventilation, if attached to or integral to the functioning of funded engine
– Gears / transmissions may be eligible on a case-by-case basis. You must include a written statement from the engine dealer explaining why new gears and transmission are required and why the current equipment will not work.
– Frames needed to be extended or other parts needed to be cut or modified in order to accommodate the new engine, as well as paint or coating needed to protect those specific areas that were cut or modified
– Tax and transport for eligible parts or costs
– Labor for installation of or modification to parts eligible for funding
– Retrofit device and installation
</td></tr>
<tr><td>Ineligible marine costs</td><td>
– Dry docking fees, engine destruction for repower, bid work, etc.
– Rudders or propellers
– Steering system
– Sea trials and dry docking
– Paint, coatings, or hull work not directly related to the engine repower
– Tax and transport for ineligible parts or costs
– Labor for installation of or modification to parts ineligible for funding
– Any parts or labor typically included as part of routine vessel or engine overhaul, maintenance, repair, or upkeep
– These and other items may be eligible for funding on a case-by-case basis if it can be proven that they are not part of the typical vessel overhaul, repair, upkeep or maintenance and are a necessary part of the engine repower.
</td></tr>
<tr><td colspan="2">Attachments Required for the Application</td></tr>
<tr><td>Quote(s) for the equipment to be funded:</td><td>
Quotes must include:
– Itemized list of eligible project costs
– EPA Engine Family Number
– Hourly rate and number of hours for labor charges
</td></tr>
<tr><td>EPA Certificate of Conformity</td><td>(For engine replacement projects only)
You must provide the EPA Certificate of Conformity for the engine being requested.</td></tr>
</table>

Usage documentation	You must provide records documenting usage from the previous two continuous years. These records must show the usage of each engine for which funds are being requested. Acceptable usage documentation includes hour logs taken from a functional hour meter.
Initial ARB Harbor Craft Report	You must provide a copy of the initial **ARB Harbor Craft Report** required by the State of California: http://www.arb.ca.gov/ports/marinevess/harborcraft/reporting.htm**.** As of February 28, 2009 all commercial harbor craft owner/operators were required to keep records for each vessel, and to install (if not already installed) a non-resettable hour meter on each engine. Vessel owner/operators will need to keep a copy of their initial report and yearly records on the vessel or in a central dockside location to be made available upon request by ARB staff. **If you haven't completed a report, contact ARB to get started:** • **Kirk Rosenkranz –** Phone: (916) 327-7843 / E-mail: krosenkr@arb.ca.gov **For more information about record keeping:** http://www.arb.ca.gov/ports/marinevess/harborcraft.htm
Proof of Insurance	You must provide documentation of general liability and workers compensation insurance and machinery insurance equal to the full replacement value of the equipment. Owner-operator fishing vessels are not required to carry insurance.
Project Requirements	
Project life & equipment usage requirements	– Minimum of three (3) years. Equipment must remain in service for the project life. – The project must be completed (engine installed and operational) three (3) years prior to the associated Harbor Craft Regulation Compliance date. **(*See the ARB Harbor Craft Regulation Compliance Schedule shown below*)**
Cost-effectiveness	Projects must meet a cost-effectiveness of **$17,720** per weighted ton of NOx, ROG and PM10 reduced to be eligible.
Application Instructions	
Complete an application	Apply on-line at www.baaqmd.gov/moyer
After you apply	Applications that are determined to be **complete** will be evaluated on a first-come, first-served basis. All applicants will receive application completeness notifications within 5 business days via email. If you do not hear from the District within 5 business days, please contact the District immediately.
Questions?	For questions or more information, please contact Geraldina Grünbaum at (415) 749-4956 or ggrunbaum@baaqmd.gov

ARB Commercial Harbor Craft Regulation Information

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

ARB Commercial Harbor Craft Regulation

What qualifies as harbor craft?

Who is exempt?

All owners/operators of commercial harbor craft that operate in California Regulated Waters are required to comply with the reporting requirement of the regulation. Commercial harbor craft include, but are not limited to, ferries, excursion vessels, tugboats (including ocean-going tugboats), towboats, crew and supply vessels, work boats, pilot vessels, barges, and commercial and charter fishing boats.

EXEMPT: Harbor craft engines between 25 and 50 horsepower are exempt from and are not required to be repowered three years prior to the compliance deadlines in the tables below to be eligible for Carl Moyer Program funding.

What types of vessels are required to replace engines?

Ferries, excursion vessels, tugboats (including ocean-going tugboats), towboats, crew and supply vessels and barges / dredges. Compliance dates for these engines are listed below. For more information about the HCR, please visit: http://www.arb.ca.gov/ports/marinevess/harborcraft.htm#background

Regulation compliance schedule for engine replacement

must meet EPA Tier 2 or Tier 3 emission standards—cleanest available

Compliance Dates for Engines on Ferries, Excursion Vessels, Tugboats, Towboats, and Push Boats located outside the South Coast AQMD

Engine Model Year	Total Annual Hours of Operation	Compliance Date
1975 and earlier	≥ 1500	12/31/2009
1975 and earlier	≥300 and < 1500	12/31/2010
1976 - 1985	≥1500	12/31/2011
1976 - 1985	≥ 300 and < 1500	12/31/2012
1986 - 1995	≥ 1500	12/31/2013
1986 - 1995	≥ 300 and < 1500	12/31/2014
Ferries Only 1996 - 1999	≥ 300	12/31/2014
Vessels Other Than Ferries 1996 - 1999	≥ 1500	12/31/2015
Vessels Other Than Ferries 1996 - 1999	≥ 300 and < 1500	12/31/2016
2000	≥ 1500	12/31/2015
2000	≥ 300 and < 1500	12/31/2016
2001 - 2002	≥ 300	12/31/2017
2003	≥ 300	12/31/2018
2004	≥ 300	12/31/2019
2005	≥ 300	12/31/2020
2006	≥ 300	12/31/2021
2007	≥ 300	12/31/2022

[**Note**: For example, if a 1982-model year diesel engine on a tugboat operating in Regulated California Waters is used for 750 hours in 2011, the owner or operator must bring the engine into compliance with the requirements of subsection (e)(6)(C) by December 31, 2012].

ARB Commercial Harbor Craft Regulation

Regulation compliance schedule for engine replacement

must meet EPA Tier 2 or Tier 3 emission standards—cleanest available

Compliance Dates for Engines on Crew and Supply Vessels Statewide

Engine Model Year	Total Annual Hours of Operation	Compliance Date
1985 and earlier	> 1500	12/31/2011
1985 and earlier	> 300 and < 1500	12/31/2012
1986 – 1995	> 1500	12/31/2013
1986 – 1995	> 300 and < 1500	12/31/2014
1996 – 2000	> 1500	12/31/2015
1996 – 2000	> 300 and < 1500	12/31/2016
2001 – 2002	> 300	12/31/2017
2003	> 300	12/31/2018
2004	> 300	12/31/2019
2005	> 300	12/31/2020
2006	> 300	12/31/2021
2007	> 300	12/31/2022

Regulation compliance schedule for engine replacement

must meet EPA Tier 2 or Tier 3 emission standards—cleanest available

Compliance Dates for pre-Tier 1 and Tier 1 Engines on Dredge and Barge Vessels Statewide

Engine Model Year	Total Annual Hours of Operation	Compliance Date
1975 and earlier	>80	12/31/2011
1976 -1980	>80	12/31/2012
1981 - 1985	>80	12/31/2013
1986-1990	>80	12/31/2014
1991-1995	>80	12/31/2015
1996-1999	>80	12/31/2016
2000 -2001	>80	12/31/2017
2002	>80	12/31/2018
2003	>80	12/31/2019
2004	>80	12/31/2020
2005	>80	12/31/2021
2006	>80	12/31/2022

Questions?

Kirk Rosenkranz – Phone: (916) 327-7843 / E-mail: krosenkr@arb.ca.gov

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