

**REQUEST FOR PROPOSALS**  
**SLO COUNTY APCD ENGINE EMISSION REDUCTION INCENTIVE PROGRAM**  
Version 2.0, January 25, 2012

**INTRODUCTION**

The San Luis Obispo County Air Pollution Control District (APCD) Engine Emission Reduction Incentive Program provides funding to individuals, businesses and public agencies to help pay for projects that reduce emissions from heavy-duty engines, with a focus on diesel emissions reduction. This incentive program is administered by the APCD and funded with APCD Board approved monies, which may include Carl Moyer, AB923, or mitigation funds, or other future Board approved sources.

The contents of this document are subject to modification. Any significant program modifications will be posted on the APCD website at: [www.slocleanair.org/programs/grants.php](http://www.slocleanair.org/programs/grants.php). Applicants are responsible for complying with all information contained in this document and proposals must adhere to all requirements.

All projects funded with Carl Moyer or AB923 funds under this RFP must comply with the current Carl Moyer Program Guidelines and applicable Carl Moyer Program Mail-outs and Advisories (Moyer Guidelines). Projects funded with local mitigation monies under this RFP shall comply with requirements as approved by the APCD Board. From this point forward, the Moyer Guidelines (relative to State Moyer and AB923 funds) and requirements approved by the APCD Board (relative to APCD Board approved mitigation funds) shall be referenced as the "Applicable Guidelines."

**PROGRAM DETAILS, ELIGIBILITY CRITERIA AND FUNDING**

**Program Details**

- The APCD is currently seeking proposals to fund qualified engine emission reduction projects using the criteria listed in this RFP and in the applications for the various funding categories listed below.
- Grant project applications are awarded on a first-come, first served basis, based on the date on which the APCD deems the application complete. If multiple applications are deemed complete on the same day, funding priority will be given to the most cost-effective projects.

**Eligible Project Categories**

- **On-Road Fleet Modernization**  
Fleet Modernization provides funding to help replace older heavy-duty on-road trucks (over 19,500 lbs. GVW) with new or late model used trucks.
- **Off-Road Heavy-Duty Equipment Replacement**  
This category provides funding to help replace older off-road equipment including agricultural tractors and construction equipment with new equipment.
- **Off-Road Heavy-Duty Repower or Retrofit**  
This category provides funding to help replace engines in heavy-duty off-road equipment such as cranes, loaders and scrapers with the cleanest available engine as defined in the Applicable Guidelines. It can also provide funding to help retrofit diesel engines in this type of equipment with ARB-Verified Diesel Emission Control Systems.
- **Stationary and Portable Agricultural Engines**

This category provides funding to help replace agricultural irrigation engines with new, cleaner technologies, including diesel engines, spark-ignited engines, or electric motors. It can also provide funding to retrofit engines with ARB-Verified Diesel Emission Control Systems.

### **General Eligibility Criteria**

To be eligible for funding, projects must meet the criteria described in the Applicable Guidelines. These criteria include but are not limited to the following:

- The emission reductions from the project must be real, quantifiable, enforceable, and permanent, and must not be required by any local, state, and/or federal rule, regulation, or other legally binding requirement. The project must be completed in advance of any regulatory emissions compliance deadline.
- Applicant must sign a Grant Agreement (contract) with the APCD.
- The new engine/equipment must not have been ordered or purchased prior to the effective date of the signed Grant Agreement. No work on the project, including ordering engines, equipment or vehicles, can begin until the contract is signed by all parties.
- The old engine/equipment must be in operating condition and in regular use.
- The old engine must be a minimum of 25 horsepower.
- The old engine/equipment must be destroyed and disposed of as scrap (except for retrofit-only projects). This destruction must be documented by APCD staff.
- For mobile-source projects, Program participant must have a physical address in San Luis Obispo County.
- Eligible stationary engines must be located in San Luis Obispo County.
- At least 75% of the operation of the old and the new engine/equipment must be in California.
- The new engine/equipment must remain in service for the project life and may be required to operate an amount specified in the Grant Agreement (e.g., engine hours or mileage).
- No emission reductions generated by the Engine Emission Reduction Incentive Program shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity, nor shall they be used for credit under any federal or state emission averaging banking and trading program.
- All replacement engines must be certified by the ARB for sale in California and must comply with durability and warranty requirements.
- Successful applicants must carry liability insurance, property loss and damage insurance on the new equipment, and workers compensation insurance as required by law.

### **Project Funding and Caps**

Expenses that are eligible for grant funding vary slightly depending on the project type and the specifics of your project, but will generally include:

- Costs of engines, vehicles, equipment or mechanical items necessary for project completion;
- Costs of the installation labor to complete the project;
- Cost of sales tax;
- Reasonable delivery cost of materials;
- APCD grants do not pay for spare filters or maintenance for emission control systems;

- Projects must not exceed the cost-effectiveness threshold in the Applicable Guidelines (cost per weighted tons of reduced emissions);
- Awards are capped at \$150,000 per applicant, per calendar year based on the date the application is received by the APCD, unless a larger amount is authorized by the APCD Board;
- Projects will be funded at either the maximum category funding level allowed in the Applicable Guidelines or 65% of eligible project expenses, whichever is less.

### **SUBMISSION OF PROJECT PROPOSALS**

The [APCD Engine Emission Reduction Incentive Program web page](#) has links to our list of Frequently Asked Questions and category-specific eligibility requirements and applications. Applications must have original signatures and be delivered to:

San Luis Obispo County Air Pollution Control District  
Attn: Andy Mutziger  
3433 Roberto Ct.  
San Luis Obispo, CA 93401

### **ADDITIONAL REFERENCE INFORMATION**

APCD Phone/Fax: 805-781-5912, Fax: 805-781-1002

For more information on the Carl Moyer and AB 923 funded incentive programs please visit the following California Air Resources Board websites:

[www.arb.ca.gov/msprog/moyer/moyer.htm](http://www.arb.ca.gov/msprog/moyer/moyer.htm)  
[www.arb.ca.gov/msprog/moyer/facts/about.htm](http://www.arb.ca.gov/msprog/moyer/facts/about.htm)  
[www.arb.ca.gov/msprog/moyer/ab923/ab923.htm](http://www.arb.ca.gov/msprog/moyer/ab923/ab923.htm)

The Carl Moyer grant eligibility information presented here is a summary. The full Carl Moyer Grant Guidelines are available from the California Air Resources Board at:

[www.arb.ca.gov/msprog/moyer/guidelines/current.htm](http://www.arb.ca.gov/msprog/moyer/guidelines/current.htm)



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San Luis Obispo County

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