



2007 San Joaquin Valley Air Quality Symposium: Taking the Fast Track

Truck Replacement and Retrofit

October 3, 2007

Jeff Findley

Program Manager, Emission Reduction Incentive Program
San Joaquin Valley Air Pollution Control District

Truck Replacement and Retrofit

- Program Goals
- Questions to be Answered
- Potential Scenarios
- Incentive Program Successes
- Public Process



Program Goals

- Achieve maximum amount of emission reductions as expeditiously as possible
- Provide District funding flexibility
- Exceed reductions from proposed ARB On-Road Private Fleet Rule
- Ensure vehicles funded will be compliant with proposed regulations and/or achieve early reductions



Questions to be Answered

- A number of questions and issues need to be addressed to achieve program goals:
 1. Which model year trucks to target?
 2. What are the costs?
 3. How to ensure surplus emission reductions?



Which Trucks to Target?

- Newer model year trucks (2003-2008)
 - Lowest tail pipe emissions and highest mileage
- Mid-range model year trucks (1995-2002)
 - Higher tailpipe emissions and high mileage
- Older model year trucks (pre-1995)
 - Highest tailpipe emissions and lowest mileage



What Are the Costs?

- Determine incentive funding per truck
- Establish truck owner contribution
- Debt service issues
- Value of replaced truck and willingness to relinquish
- Total incentive funding required to implement program



How to Ensure Surplus Emission Reductions?

- District has experience verifying surplus emission reductions
- Verify emission reductions would not occur through normal fleet turnover
 - Develop criteria to discover which trucks should be targeted for replacement/retrofit



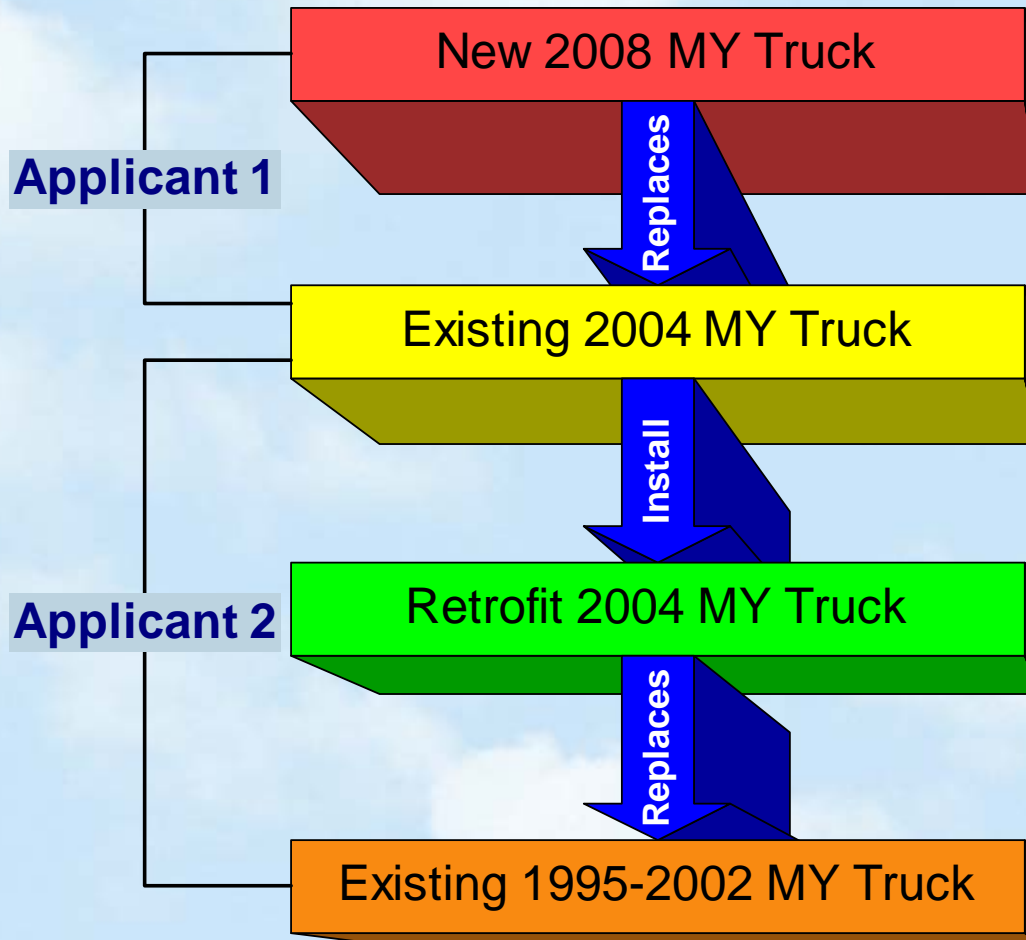
Potential Scenarios

- Four scenarios currently being evaluated
 1. Two tiered transaction:
2008 → 2004 → 2002-1995
 2. One tiered transaction: 2008 → 2002-1995
 3. One tiered transaction: 2004 → pre-1995
 4. Retrofit only (Model Year to be determined)
- Scenario combinations also possible
- Other scenarios may be considered



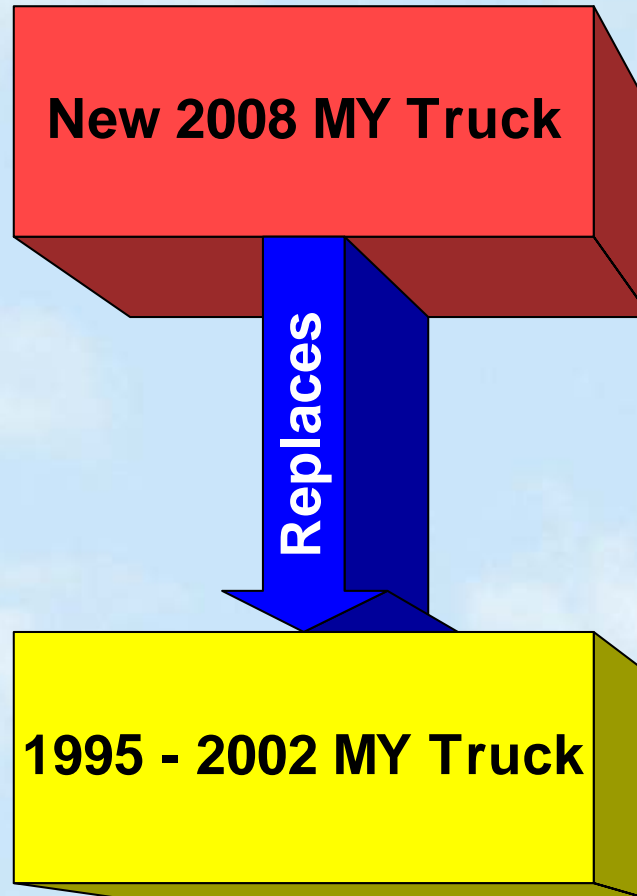
Scenario 1

2 Tiered Transaction



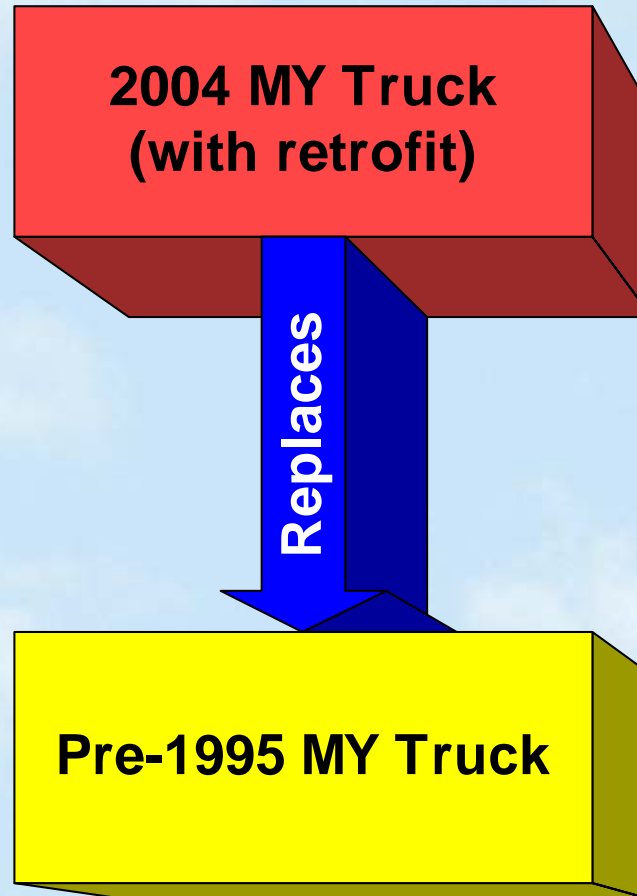
Scenario 2

1 Tiered Transaction



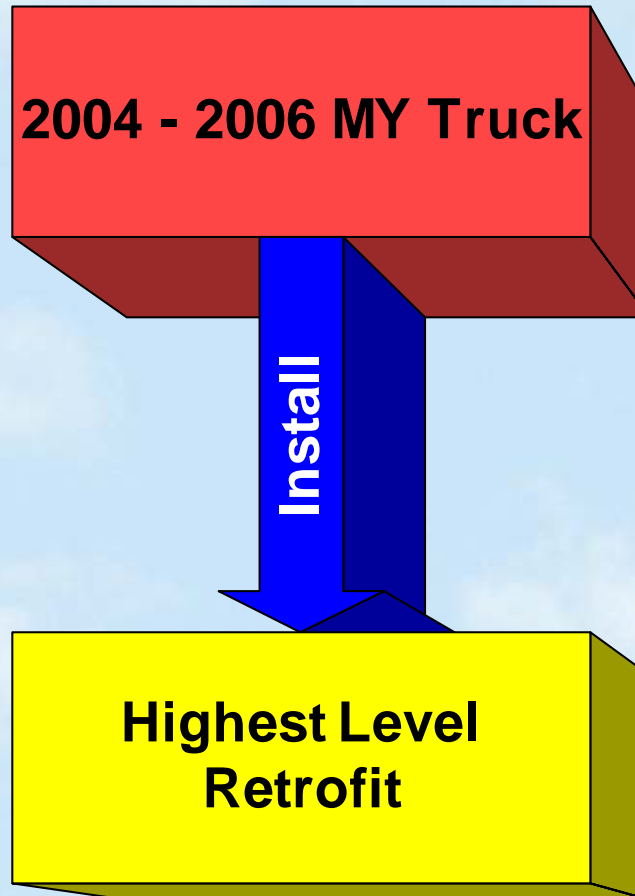
Scenario 3

1 Tiered Transaction



Scenario 4

1 Tiered Transaction



Incentive Program Successes

- The District has operated highly successful incentive programs since 1992
- District awarded over \$179 million
- Reduced 57,000 tons of lifetime emission reductions (NOX, PM, ROG)
- District has recently been audited by three separate State agencies
 - Establishes District as one of the most effective incentive programs in the State



Public Process

- Consult trucking industry representatives
- Consult District Fast Track Advisory Committee
- Consult Air Resources Board

