Agenda

• Background
• Valley Incentive Measure Overview
• SIP Credit Requirements
• Next Steps
• Q & A
Background

• Agricultural industry met 2017 SIP commitment
• CARB adopted the Valley State SIP Strategy October 2018
• Provides the emission reductions from mobile sources needed to meet PM2.5 standards in the Valley
• Reducing emissions from agricultural equipment is an essential element
• CARB adopted SJVAPCD’s 2018 PM2.5 Plan January 2019

Valley Incentive Programs

• District administers several incentive programs that replace agricultural equipment
• District maintains project-level information
• District/CARB work together to share information
• District reports incentive program annually to CARB
• CARB has experience developing incentive measures for SIP credit
Valley Incentive Measure

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Valley Incentive Measure Commitment

- Take action by 2020 on an agricultural equipment incentive measure
- Emission Reductions
  - 2024: 11 tpd NOx; 0.8 tpd PM2.5
  - Reductions carry through 2025
- Valley Incentive Measure is the first step in meeting the SIP commitment
Valley Incentive Measure Goals

- Quantify SIP creditable emissions reductions from incentive programs accelerating the penetration of cleaner agricultural equipment engines in the Valley
- Quantify reductions from implemented projects and identified funding
- Coordinate with SJVAPCD and U.S. EPA
- Targets older and dirtier agricultural equipment with cleanest diesel engines

Valley Incentive Measure Overview

Valley Strategy Commitment:

- "Existing Projects" 3 tons
- "New Projects" 8 tons

Carl Moyer NRCS
FARMER FY 17/18 and FY 18/19
Carl Moyer NRCS
FARMER FY 19/20 + Other Future Programs

SIP Actions:
- This action
- Future actions
Valley Incentive Measure Overview (Continued)

- Existing projects from Moyer Program and NRCS, completed since 2015
- New projects from the 17/18 and 18/19 FY FARMER Program
- Emissions reductions must occur during entire 2024 and 2025 year
- CARB maintains dedicated webpage with annual reports and project information

SIP Credit Integrity Elements Summary

- Surplus
- Quantifiable
- Permanent
- Enforceable
SIP Credit Integrity Elements

Surplus

• Not required by another SIP-related program, state or federal air quality requirement
• There remains useful life of the vehicle, engine, or equipment being replaced

Projects will replace comparable equipment and usage
• Inspections verify that equipment is in operational condition

Quantifiable

• Emission reductions calculations can be replicated
• Information used to quantify reductions is publicly available

• Equations and information to calculate emissions reductions are included
• Data will be available on CARB website
SIP Credit Integrity Elements

Permanent

• Reductions must occur for entire year of SIP commitment
• Time period limited to the remaining useful life of the original engine, vehicle, or equipment

• All projects are enforceable through entire year of 2024/2025
• Inspections verify that replaced engine/equipment is destroyed

SIP Credit Integrity Elements

Enforceable

• Independently verifiable
• Program violations are defined with appropriate corrective action
• Responsible agency is identified
• Citizens have access to emissions-related information for enforcement purposes

• Project-level contracts
• CARB is responsible agency
• Citizens have access to data
SIP Credit – Additional Requirements

- State funding and legal authority identified
- Public disclosure of information
- Provisions to measure and track programmatic results
- Enforceable commitment to:
  - Identify the number of projects and amount of reductions
  - Monitor, assess, and regularly report on reductions achieved
  - Adopt and submit substitute measures to remedy any shortfall

Next Steps

- September 20, 2019
  - Proposed Valley Incentive Measure 30-day public comment period begins
- October 24, 2019
  - CARB Board consideration of Proposed Valley Incentive Measure
- Submit to U.S. EPA for approval
- CARB Website
  - [https://www.arb.ca.gov/planning/sip/imp2016sip/imp2016sip.htm](https://www.arb.ca.gov/planning/sip/imp2016sip/imp2016sip.htm)
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Questions and Answers

Questions?