

SAN JOAQUIN VALLEY
AIR POLLUTION CONTROL DISTRICT

**HEAVY-DUTY
ENGINE PROGRAM**

LOCOMOTIVE REPLACEMENT

Switcher & Class 3 Locomotives are eligible

ELIGIBILITY CRITERIA AND APPLICATION GUIDELINES

The San Joaquin Valley Air Pollution Control District (SJVAPCD) is currently accepting applications requesting monetary incentives to replace old high polluting locomotives with new Tier 4 locomotives, according to the terms and conditions described in these guidelines. For additional information, assistance or to receive application materials, please contact:

San Joaquin Valley Air Pollution Control District

Emission Reduction Incentive Program

1990 East Gettysburg Avenue

Fresno, CA 93726-0244

You may also contact us by phone or visit our website at:

(559) 230-5800

www.valleyair.org

ELIGIBILITY CRITERIA

These criteria provide the minimum requirements for all new purchase/alternative technology locomotive projects.

❖ General Requirements:

- Emission reductions obtained through this project must not be required by or used to comply with any federal, state or local regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legally binding document. Inclusion in a rail yard or port emission reduction plan, lease agreement, or other voluntarily adopted strategy does not exclude a locomotive project from funding eligibility, if such a project is not otherwise required.
- No emission reductions generated by the project shall be used as marketable emission reduction credits, or to offset any emission reduction obligation of any person or entity.
- No project funded by the program shall be used for credit under any federal or state emission averaging banking and trading program.
- All diesel locomotive projects must use CARB low-sulfur diesel fuel.
- The maximum project life for a locomotive project is 15 years.
- 100% of the annual fuel consumption must occur within California and at least 50% within SJVAPCD boundaries (see page 13).

❖ Replacement Locomotive:

- Must Achieve the Federal Tier 4 locomotive emission standards for NO_x @ 1.3 g/bhp-hr, Hydrocarbons @ 0.14 g/bhp-hr and PM₁₀ @ 0.03 g/bhp-hr.
- Must be Certified by EPA as a Tier 4 locomotive and Verified by CARB as a Tier 4 locomotive
- The locomotive replacement will be incentivized up to 85% of the total eligible cost

❖ The participant must:

- Remain the owner of the locomotive for the life of the contract, which is fifteen years.
- If the new replacement locomotive is sold during the project life, then the new owner of the locomotive must assume the agreement obligations with the SJVAPCD and comply with the terms and conditions outlined in the original agreement. The SJVAPCD must approve the locomotive ownership change **prior** to its sale.
- Maintain replacement value insurance for the locomotive through the full term of the agreement.
- Submit annual reports to the SJVAPCD through the full term of the agreement.
- Not **purchase** or **install** equipment under funding consideration **prior** to agreement execution.

APPLICATION GUIDELINES

- ❖ Fill out the application completely and as accurately as possible. Do not leave any required fields blank, as it lengthens the processing timeframe associated with the application and delays funding.
- ❖ A copy of the following items must accompany the application at the time of submittal in order to be deemed **complete**:
 - Internal Revenue Service (IRS) Request for Taxpayer Identification Number and Certification Form W-9 (Form W-9).
 - The information entered into Section 1 of the application must be **identical** to the information on Form W-9, as this information will be used to generate all binding documents and be used to report incentive funding to the IRS.
 - A copy of the IRS Form W-9 can be obtained by downloading it from www.irs.gov or by calling 1-800-829-3676.
 - If your business is a Limited Liability Company (LLC), please follow the instructions found on Form W-9.
 - Applicable CARB Executive Order (EO), in its entirety, for the new reduced-emission engine and the verified
 - Request an EO from your engine/retrofit dealer, or
 - Retrieve an EO online at www.arb.ca.gov from CARB's website.
 - Itemized engine dealer quote for the new Tier 4 locomotive:
 - Date the quote was generated.
 - Applicant/business name and address.
 - Engine dealer name and address.
 - CARB verification & EPA Certification

MAP OF THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT BOUNDARIES

