



Agenda Placement: Admin
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Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board
FROM: Terry Dressler, Air Pollution Control Officer
CONTACT: Anthony Fournier, 961-8874
SUBJECT: Marine Diesel Engine Repower Program

RECOMMENDATION:

Approve \$150,000 in additional funding allocation for the Marine Diesel Engine Repower Program.

SUMMARY:

The resolution increases the Marine Diesel Engine Repower Program allocation to \$160,000 by approving an additional \$150,000 in Carl Moyer or Innovative Technologies Group (ITG) funds to repower diesel marine equipment with new low emissions engines. This program allocation does not change the fiscal year 2005-2006 budget.

DISCUSSION:

On June 17, 1999, your Board approved the use of Carl Moyer Air Quality Standard Attainment Program funds and Chevron Trust funds for a Diesel Marine Vessel Repower Program. The purpose of this program was to reduce Nitrogen Oxide (NOx) emissions from commercial marine vessels operating out of the Santa Barbara Harbor by providing boat owners with funding

to replace their older diesel engines with modern low-NOx engines. Since 1999 your Board has approved over \$700,000 in grant funding to repower 30 marine engines.

Repowering marine diesel engines has proven to be a cost-effective means of reducing emissions in our County. Marine engines do not have to meet the same emissions standards as land-based equipment, have just recently been subject to emissions regulations, typically remain in operation for decades, and are one of the few emission sources that falls outside the jurisdiction of the California Air Resources Board (ARB). Currently this program has less than \$10,000 allocated to it. ITG's solicitation of emission reduction projects, through a Call For Proposals document approved by your Board on March 17, 2005 has generated a surge of interest in this program; therefore, we recommend that your Board earmark an additional \$150,000 in ITG funds so that we can proceed with funding diesel marine engine repowers. We will continue to follow ARB Carl Moyer Program guidelines when selecting future marine engine repower projects.

This additional \$150,000 allocation for the Marine Diesel Engine Repower Program will derive from the Carl Moyer Program or alternative ITG revenue designations, and may be expended over several fiscal years. This new program allocation does not change the District's fiscal year 2005/2006 budget amount for ITG.