

Agenda Date: December 15, 2005

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Continued Item: No

## **Board Agenda Item**

TO: Air Pollution Control District Board

FROM: Terry Dressler, Air Pollution Control Officer

CONTACT: Gary Hoffman, 961-8818

SUBJECT: Agriculture Water Pump Repower Program

## **RECOMMENDATION:**

Approve \$300,000 in additional funding allocation for the Agriculture Water Pump Repower Program.

## SUMMARY:

The recommendation increases the Agriculture Water Pump Repower Program allocation from \$800,000 to \$1,100,000 by approving an additional \$300,000 in Innovative Technologies Group (ITG) funds to repower agricultural water pump engines with new low emissions engines. This program allocation does not change the Fiscal Year 2005-06 budget.

## DISCUSSION:

Since April, 2001, your Board has approved a total \$800,000 in Carl Moyer Program and other ITG funds to allocate to our Agriculture Water Pump Repower Program. This repower program provides incentive funding to farmers to repower mostly older diesel-powered water pump engines with new certified low emission engines or electric motors. The new diesel engines

must be certified to current off-road emission standards (Tier 2 or cleaner) by the Air Resources Board (CARB) for sale in California. ITG is currently targeting this program to stationary diesel and electric water pump engines, with a focus on smaller agriculture sources, as we indicated in our briefing to your Board in October, 2004.

To date, the program funds have been used to successfully replace 47 diesel engines in our county, generating about 367 tons of NOx, ROG, and particulate matter ( $PM_{10}$ ) emission reductions over the life of the projects. The program's overall cost-effectiveness is about \$2,145/ton of total emissions reduced. An earlier ITG program (1997-1999) targeting portable agriculture water booster pumps, successfully replaced a total of 61 portable engines. Together, these programs have replaced over 100 water pump engines in our county.

We are currently working with two agricultural growers to replace a total of 8 old diesel and uncontrolled natural gas water pump irrigation engines with 7 electric motors (that are zero-emissions) and 1 CARB-certified Tier 2 or Tier 3 diesel engine. Although these projects are still pending, ITG would exceed its current program balance of \$96,879 if we proceed with funding these projects. Therefore, we are recommending that your Board approve an additional \$300,000 allocation in ITG funds toward this program, so that we can proceed with additional cost-effective repower projects. We will continue to apply the Carl Moyer Program guidelines to all future projects to ensure their eligibility for funding.

This additional \$300,000 allocation for the Agriculture Water Pump Repower Program will derive from the Carl Moyer Program or alternative ITG revenue designations, and may be expended over several fiscal years. This program allocation does not change the District's fiscal year 2005-06 budget amount for ITG.