

Strategic Incentives Division Grants Program Advisory

October 5, 2017

This Advisory is provided to inform you about activities of the Bay Area Air Quality Management District (District) which may affect your project implementation. It will help you achieve and maintain compliance with the requirements of your fully-executed Grant Agreement (Agreement).

ATTENTION: Carl Moyer Program Grant Recipients

SUBJECT: Required District Destruction-Inspection Protocol for Destroyed Engines and/or

Equipment Prior to Disposal

Carl Moyer Program (CMP) grant recipients awarded funding for engine replacement projects must ensure that the old engine(s) taken out of service are destroyed and rendered permanently unusable and irreparable, and must contact District staff to schedule a destruction inspection prior to equipment disposal. For equipment replacement projects,¹ it is the vendor's responsibility to schedule the inspection with the District and ensure that the inspection occurs in a safe environment for the inspector. Failure to schedule a destruction inspection of the old engine(s) or equipment prior to disposal is a breach of the Agreement and could result in the loss of grant funding.

The California Air Resources Board (ARB) CMP guidelines and your Agreement with the District require District staff verification of proper destruction and disposal of the old engine(s) and/or equipment. Permanently removing the replaced engine from service is the only way to ensure the project's emission reductions are achieved.

Engines and/or Equipment must be destroyed as follows:

- 1. Punch a **jagged** hole in the engine block that is at least three inches at the narrowest point, and remove a section of the oil pan flange as part of the hole or cut a line through it that connects the hole.²
- 2. For equipment or vehicle replacement projects: cut the chassis or other structural frame, completely sever the frame rails between the front and rear axles and render the equipment unusable (this does not apply to engine replacement projects).
- Contact District grant staff when the old engine(s) / equipment is ready for destruction verification.
 District grant staff will send an inspector to take photos and document the destruction of the old
 engines / equipment.
- 4. Contact District grant staff prior to the disposal of the old engines / equipment. Engine(s)/ equipment must not be disposed of until District grant staff verifies the destruction photos and documentation provided by the District inspector.

¹ Equipment replacement projects replace the entire unit, chassis and engine

² Non-emission drive-train related parts may be salvaged, provided that the engine block(s) is (are) disposed as described in #1 and #2 of acceptable methods for destruction. If only one side of the engine is accessible, please notify district staff of this issue during inspection.

- 5. Complete the project implementation report (PIR) form provided by District staff, **which requires grantee and scrap metal facility staff signatures** verifying that the engine block /equipment has been permanently destroyed and taken out of service.
- 6. Attach the scrap metal receipt to the PIR form for off-road equipment and submit to District grant staff for payment.
- 7. Submit a copy to the District of either the "Non-Repairable Vehicle Certificate" using an "Application for Salvage Certificate or Non-Repairable Vehicle Certificate" (REG 488C) or a Notice of Acquisition/Report of Vehicle To Be Dismantled (REG 42) submitted and accepted by DMV to document proper destruction of the on-road equipment.
- 8. The equipment MUST be dismantled and inspected by the District no later than 60 days after dismantler receipt.
- 9. The dismantler may not use or permit the use of, the engines or vehicles, except use necessary to move it for destruction or storage.

The District must follow the guidelines set forth by the ARB for the CMP. If you have any questions about this advisory please contact CMP staff by email (grants@baaqmd.gov) or telephone (415) 749-4994.