



**PROPOSITION 1B:  
Goods Movement Emission Reduction Program**

**Year 5 Funding Awards  
September 24, 2015**

California Environmental Protection Agency  
 **Air Resources Board**

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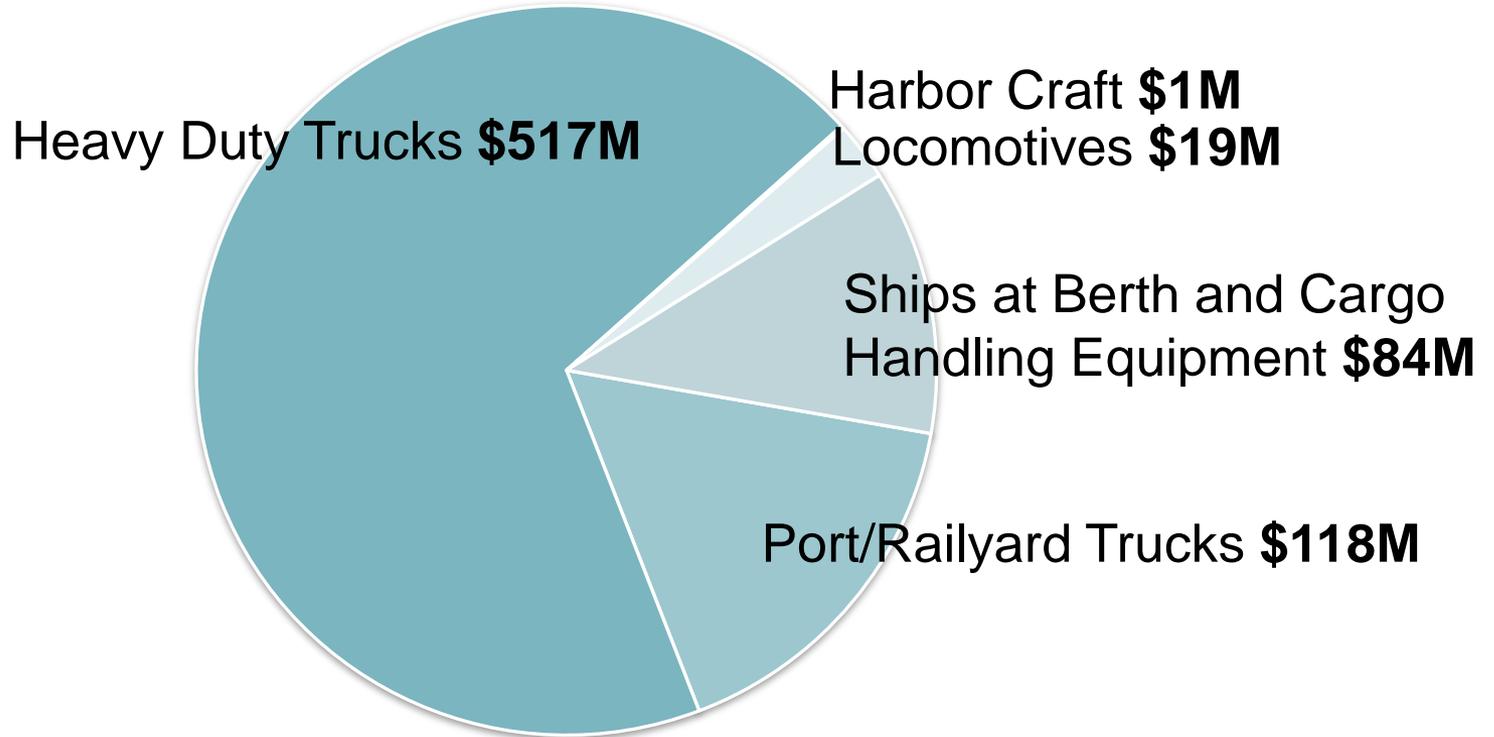
# Prop 1B: Goods Movement Emission Reduction Program



- \$1 billion to reduce emissions/risk in heavily impacted communities
- Achieve early or extra reductions by upgrading or replacing diesel equipment used for freight transportation in four priority trade corridors
- Priority on diesel PM and NOx; with co-benefits for climate

# Program Funding to Date\*

Emission Reductions: 2,200 tons PM 2.5 + 75,000 tons NOx



\*Includes funds for local agency and ARB's administration costs.

# Funds to be Reallocated

- Total unspent funds: ~\$47 million
- Year 4 applications to reallocate unspent funds
- Executive Officer authority
  - Minor revision to Program Guidelines
  - Reversion of \$.7 million



# MOVING FORWARD

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# Year 5 and Unspent Funds \$287 Million



# Current Funding Priorities

- Zero and near-zero emission advanced technologies
- Small truck fleets
- Tier 4 locomotives

# Applications for \$469M

Trade Corridor	Funds Requested
Los Angeles/Inland Empire	\$225M
Central Valley	\$182M
Bay Area	\$47M
San Diego/Border	\$15M
<b>Total</b>	<b>\$469M</b>

# Basis for Recommendations

- Trade corridor funding targets
- Board priorities
- Local agency requests
- Local agency priorities
- Reallocation process for recaptured funds

# Public Outreach

- Four public workshops in the trade corridors from August 25-28, 2015:
  - Diamond Bar
  - Fresno
  - Sacramento
  - San Diego
- Local agency community meetings

# Trade Corridor Targets

<b>Trade Corridor</b>	<b>Board Approved Corridor Target</b>	<b>Corridor Percent Prior to Staff Recommendations</b>	<b>Corridor Percent after Staff Recommendations</b>
Los Angeles/ Inland Empire	55.0%	55.5%	55.0%
Central Valley	25.0%	25.2%	25.0%
Bay Area	14.0%	12.9%	14.0%
San Diego/ Border	6.0%	6.4%	6.0%

# Recommendations by Category

<b>Funding Category</b>	<b># of Equipment</b>	<b>Total Funds</b>
Trucks	~2,750	\$166M
Locomotives	~36	\$ 70M
Ships/Equipment	~62	\$ 20M
TRUs	~240	\$ 10M
Harbor Craft	~4	\$ 1M
<b>Total</b>	<b>~3,090</b>	<b>\$267M</b>

# Los Angeles/Inland Empire Recommended Funds

<b>Funding Category</b>	<b>Year 5 and Reverted Funds</b>	<b>Reallocated Funds</b>	<b>Total Recommended Funds</b>
Trucks	\$ 79.0M	\$ 20.4M	\$ 99.4M
Locomotives	\$ 22.5M	-	\$ 22.5M
Ships/Equip.	\$ 14.5M	-	\$ 14.5M
TRUs	\$ 1.5M	-	\$ 1.5M
<b>Total</b>	<b>\$117.5M</b>	<b>\$ 20.4M</b>	<b>\$137.9M</b>

# Central Valley Recommended Funds

Funding Category	Administering Local Agency (Air Districts)	Year 5 and Reverted Funds	Reallocated Funds	Total Recommended Funds
Trucks	San Joaquin	\$ 18.6M	\$ 5.9M	\$ 24.5M
	Sacramento	\$ 1.2M	\$ 1.9M	\$ 3.1M
Locomotives	San Joaquin	\$ 19.5M	-	\$ 19.5M
	Sacramento	\$ 10.0M	-	\$ 10.0M
TRUs	San Joaquin	\$ 5.0M	-	\$ 5.0M
	Sacramento	\$ 0.3M	-	\$ 0.3M
<b>Total</b>		<b>\$54.6M</b>	<b>\$7.8M</b>	<b>\$62.4M</b>

# Bay Area Recommended Funds

Funding Category	Year 5 and Reverted Funds	Reallocated Funds	Total Recommended Funds
Trucks	\$15.5M	\$9.6M	\$25.1M
Locomotives	\$15.0M	-	\$15.0M
Ships/Equip.	\$ 5.0M	-	\$ 5.0M
TRUs	\$ 3.0M	-	\$ 3.0M
<b>Total</b>	<b>\$38.5M</b>	<b>\$9.6M</b>	<b>\$48.1M</b>

# San Diego/Border Recommended Funds

Funding Categories	Year 5 and Reverted Funds	Reallocated Funds	Total Recommended Funds
Trucks	\$5.6M	7.4M	\$13.0M
Locomotives	\$ 2.6M	-	\$ 2.6M
Ships/Equip.	\$ 0.7M	-	\$ 0.7M
TRUs	\$ 0.6M	-	\$ 0.6M
Harbor Craft	\$ 0.6M	-	\$ 0.6M
<b>Total</b>	<b>\$10.1M</b>	<b>\$7.4M</b>	<b>\$17.5M</b>

# Recommendations and Benefits by Trade Corridor

Trade Corridor	Total Funds	Reductions (tons)	
		PM 2.5	NOx
LA/Inland Empire	\$137.9M	110	18,100
Central Valley	\$ 62.4M	135	6,700
Bay Area	\$ 48.1M	70	5,400
San Diego/Border	\$ 17.5M	15	2,300
<b>Local Agency Total</b>	<b>\$265.9M</b>	<b>330</b>	<b>32,500</b>
Multi-Corridor: Truck Filter Substrate Replacement	\$ 1.0M	-	-
ARB Administration Costs	\$ 20.0M	-	-
<b>Program Total</b>	<b>\$286.9M</b>	<b>330</b>	<b>32,500</b>

# **Update on a Multi-Corridor Truck Filter Substrate Replacement Program**

- Up to \$6.3 million in Year 4 funding (previously approved)
- Additional \$1 million in Year 5 funding
- Administering agency: Sacramento Metropolitan Air Quality Management District
- Contractor for installations: ESW-Cleantech

# Next Steps

**Early  
Fall**

- Grant Agreement between ARB and local agencies
- Districts/ARB conduct outreach

**Early  
Fall-  
Winter**

- Equipment owners apply for funding

**2016**

- Contracts with equipment owner

**Dec.  
2016**

- Operational deadline for small truck fleets

# Staff Recommendations

- **Adopt Resolution 15-43**
  - Awards Year 5 and reverted funds
  - Reserves funds for ARB's administration costs over next decade
  - Directs Executive Officer to reallocate unspent funds
  - Makes minor revision to the Program Guidelines