

Proposed Community Air Protection Funds Supplement to the Carl Moyer Program Guidelines



California Air Resources Board Meeting
April 27, 2018



Presentation Overview

- Background
- GHG Funding Requirements
- Community Guidance
- Staff Proposal
- Acting Now for Immediate Community Benefit
- Next Steps and Recommendation

Background: Community Air Protection

- AB 617 established program for new actions to reduce air pollution in impacted communities
- Early incentive funds to provide immediate benefits, while program is developed



Background: Funds to Support AB 617

- AB 134 provides \$250 million for immediate emissions reduction
- Funds to be spent through Moyer and Prop. 1B Programs



- Community emphasis requires new thinking for existing programs
- Outreach to communities guides proposed changes, project selection

Background: Moyer Program

- Proven, cost-effective, SIP-creditable reductions
- Methodology ensures judicious use of funds
- Well-established program enables immediate benefits
- Wide variety of mobile source projects to meet diverse community needs

Background: Prop. 1B Program

- Up to 40% of funds to Prop. 1B
- Like Moyer, reliable program for immediate emissions reduction
- Projects ranked by cost-effectiveness and priority
- Fixed grant amounts
- Trucks must operate along trade corridors



Greenhouse Gas Fund Requirements

- These funds are part of California Climate Investments, to provide GHG benefits
- California Climate Investment requirements are consistent with AB 617 goals:
 - Maximize benefits to disadvantaged communities
 - Reduce criteria pollutants and air toxics
 - Transition to cleanest technologies
- 80% funds to disadvantaged or low-income communities; at least 50% to disadvantaged communities



Community Guidance for Proposal

- Community involvement is a key consideration to directing funds
- CARB and district outreach to seek guidance, share ideas
- Comments from community groups and local business owners helped form proposal



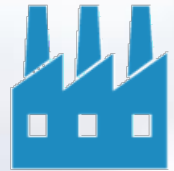
COMMUNITY
GROUPS



LOCAL
AIR DISTRICTS



ENVIRONMENTAL
ORGANIZATIONS



INDUSTRY

Community Concerns and Suggestions

- Clean up freight activities near impacted communities
- Focus on zero-emission technologies, including infrastructure
- Lower barriers to participate
- More school bus clean-up needed
- Ensure and verify communities benefit from these efforts
- Need for continued funding to support AB 617
- Other ideas suitable for a more expanded program

Proposal: Clean up Freight Activities



- Increase maximum percentage of cost Moyer pays:
 - +10% for freight infrastructure
 - +25% for zero-emission TRUs

- Prop. 1B provides additional opportunities for trucks



Proposal: Support Advanced Tech

- Support zero-emission technologies
- Strong focus on infrastructure



- “Low-NOx” and diesel trucks eligible under current guidelines

Proposal: Lower Barriers to Participate

- Increase maximum percentage of project costs Moyer Program will pay
- Additional 10-15% project cost covered for most projects
- Remove funding caps for on-road zero-emission technologies
- Grants still must meet cost-effectiveness requirements

Proposal: Protect Sensitive Populations

- Cover 100% infrastructure cost at sensitive receptors
- Ensure all fleets servicing public schools are eligible
- Provide increased grant amounts to oldest buses



Immediate Community Benefits

- Air districts taking advantage of early window for immediate benefits
- Districts continuing to inform and seek guidance from community groups
- Districts already requesting funds and selecting projects

Next Steps

- Action today allows for immediate benefits, but this is just the first step
- Current Moyer Program cannot meet all funding needs of AB 617
- Continue to improve community engagement
- Need for ongoing funding (Governor's budget proposes \$250M for FY 2018-2019)



Recommendation

- Moyer and Prop. 1B to achieve immediate emission reductions
- Staff recommends approval of the Supplement:
 - Added incentive to reduce freight emissions
 - Enhanced support for advanced technologies
 - Reduction of barriers to participation
 - Expanded eligibility for sensitive receptors
- Continue to work with community groups on projects as AB 617 is implemented