



Proposition 1B: Goods Movement Emission Reduction Program

February 15, 2008 - Sacramento

Public Workshop

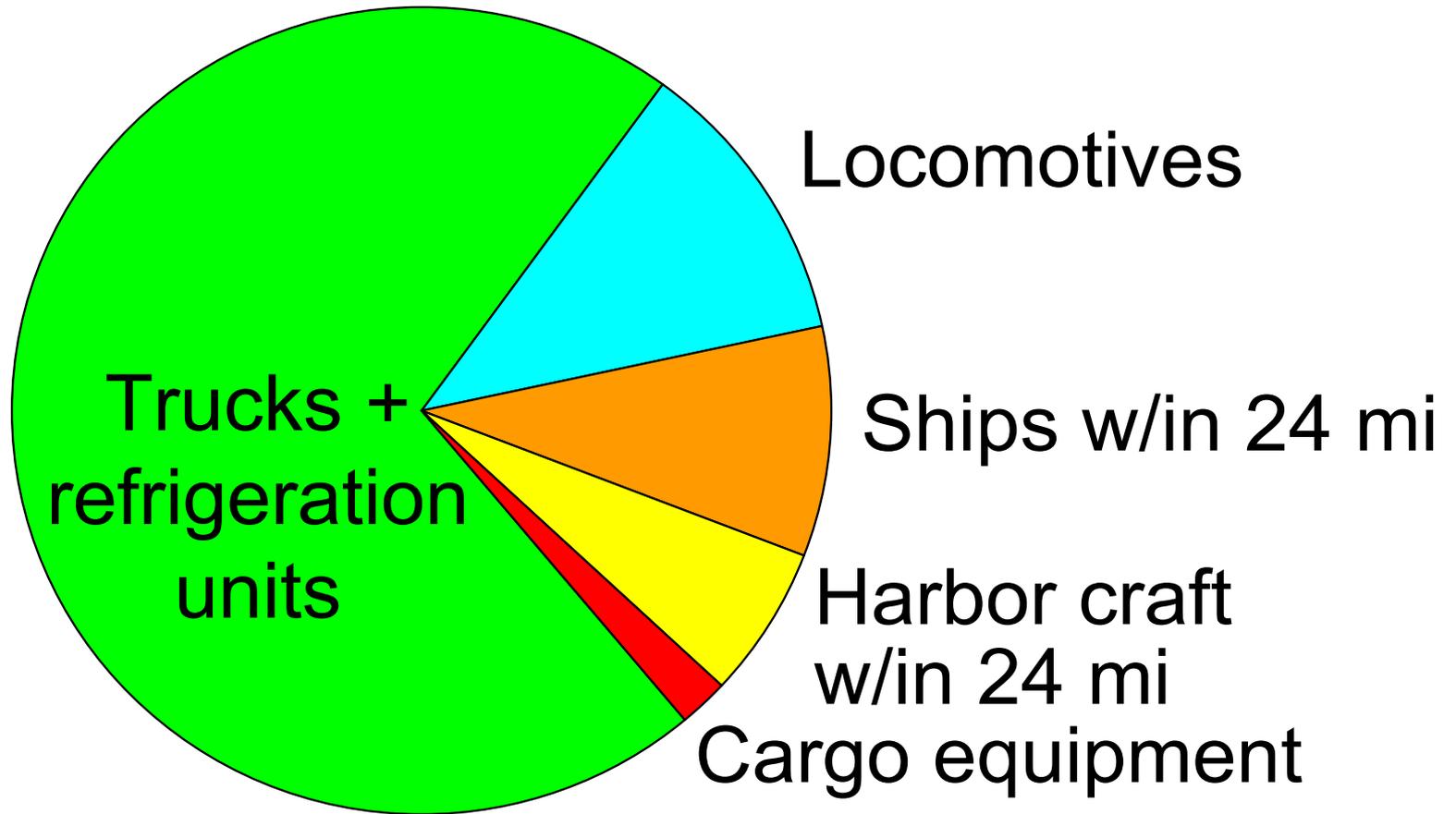


Air Resources Board

California Environmental Protection Agency

INTRODUCTION

Goods Movement Pollution Contributed to ~ 2,400 Premature Deaths in CA in 2005



Program Authority



- Voter-approved Proposition 1B
 - \$1 billion for emission reductions (not required by law or regulation) from activities related to the movement of freight along California's four priority trade corridors
- Implementing legislation
 - SB 88 and AB 201 establish 15+ funding criteria
 - FY2007-08 budget provides first \$250 million
- Governor's Executive Order S-02-07



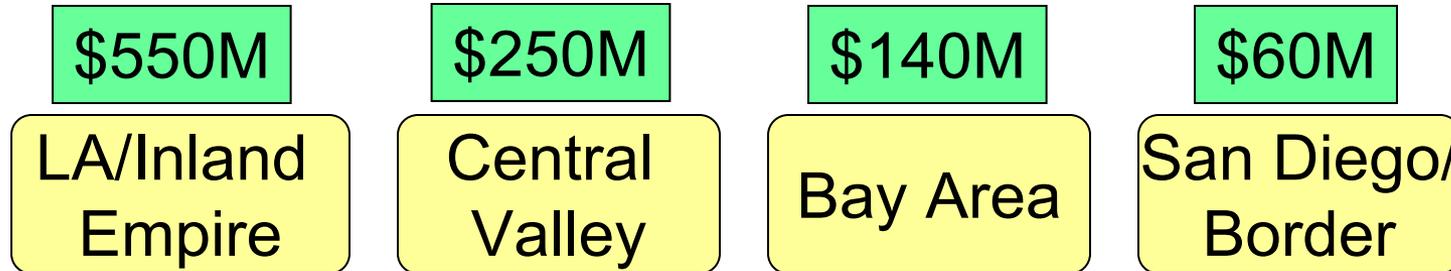
Program Objectives

- Reduce emissions & health risk as quickly as possible in heavily impacted communities
- Incorporate simplicity and efficiency
- Ensure cost-effectiveness, leverage funds
- Provide accountability and transparency

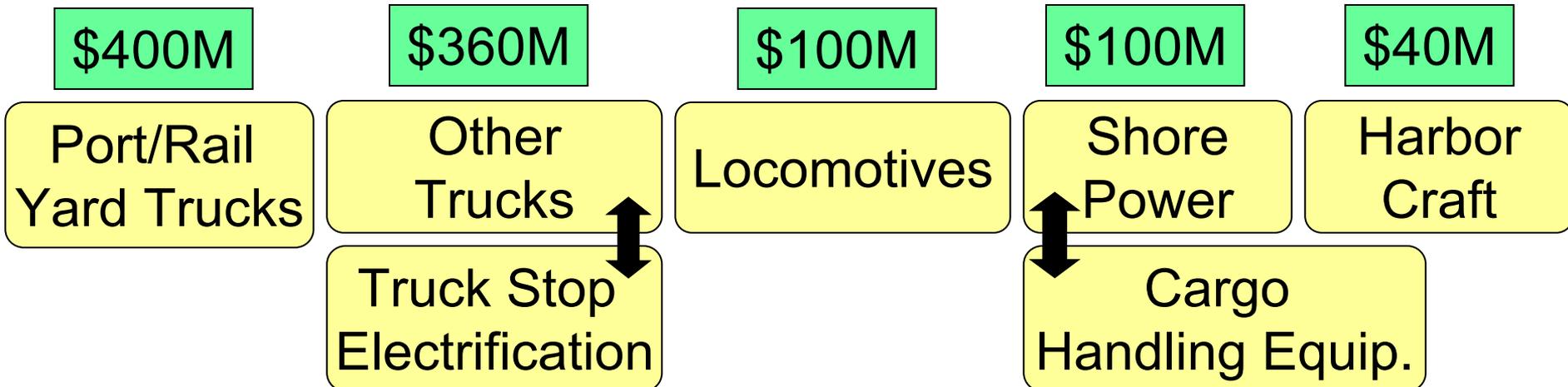


Proposed Funding Targets*

Trade Corridors



Source Categories



* Includes ~8% in overall Program administrative funds

Program Structure and Terminology

Trade Corridor

(LA/Inland Empire, Central Valley, Bay Area, San Diego/Border)

Source Category

(e.g., Other Trucks, Locomotives)

Equipment Project Option

(e.g., truck retrofit, truck replacement, switcher locomotive)

Equipment Project

(e.g., one truck, one locomotive)

Program Structure and Terminology

Local Agency

(e.g., South Coast Air District in the LA/Inland Empire trade corridor)

Local Agency Project

Application for
“Other Trucks”

Equipment Project Options

Proposed for:

Option 1: retrofit
Option 3: replacement

Local Agency Project

Application for
“Harbor Craft”

Equipment Project Options

Proposed for:

Option 1: Tugs/Tows

Local Agency Projects

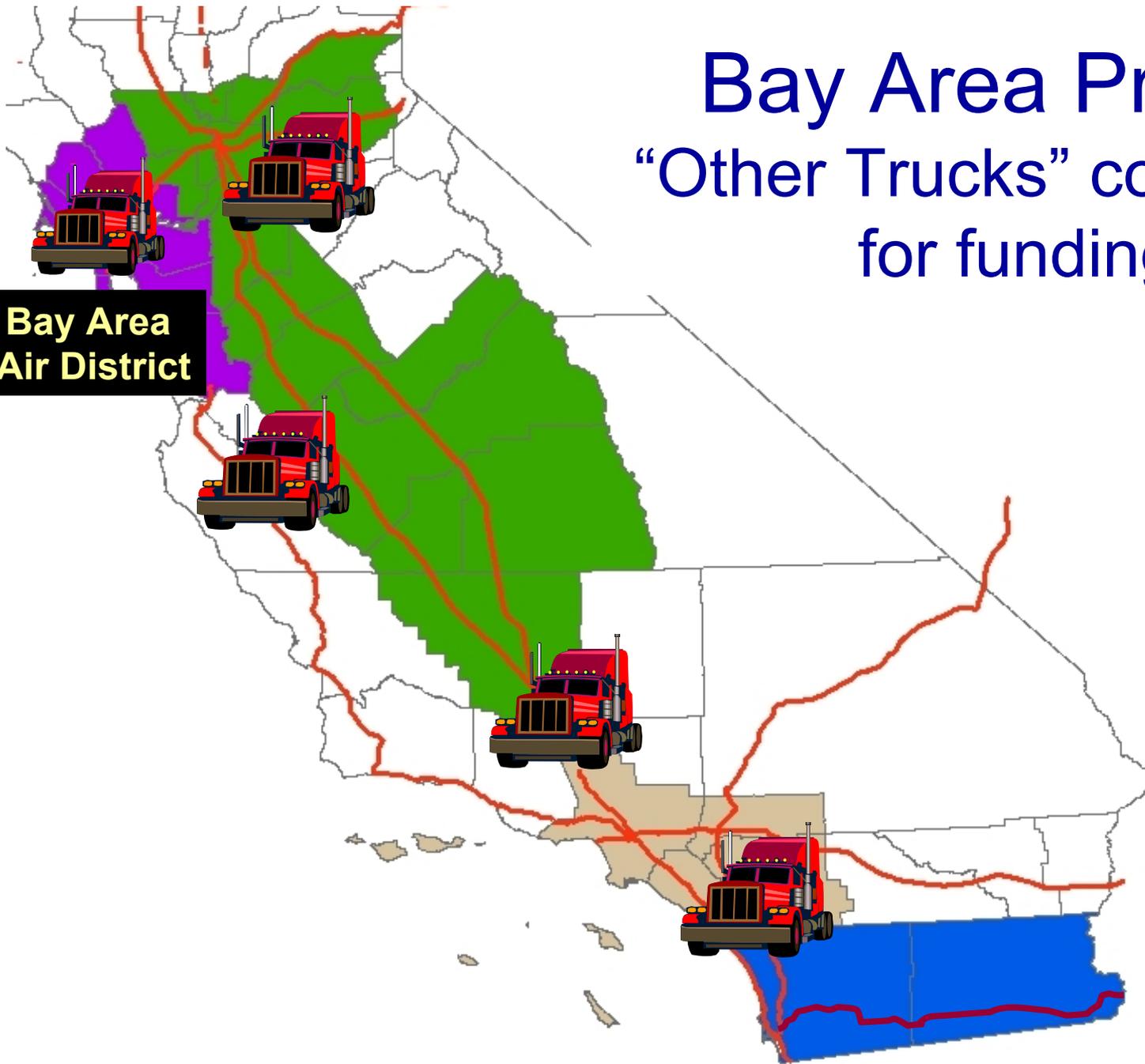


1. Project applications
2. Eligibility review
3. Competitive ranking
4. Public input
5. Funding recommendation
6. Board decision

Bay Area Project

“Other Trucks” competing for funding

**Bay Area
Air District**



LA/Inland Empire Project

“Port Trucks”

competing for funding



Local Agency Responsibilities

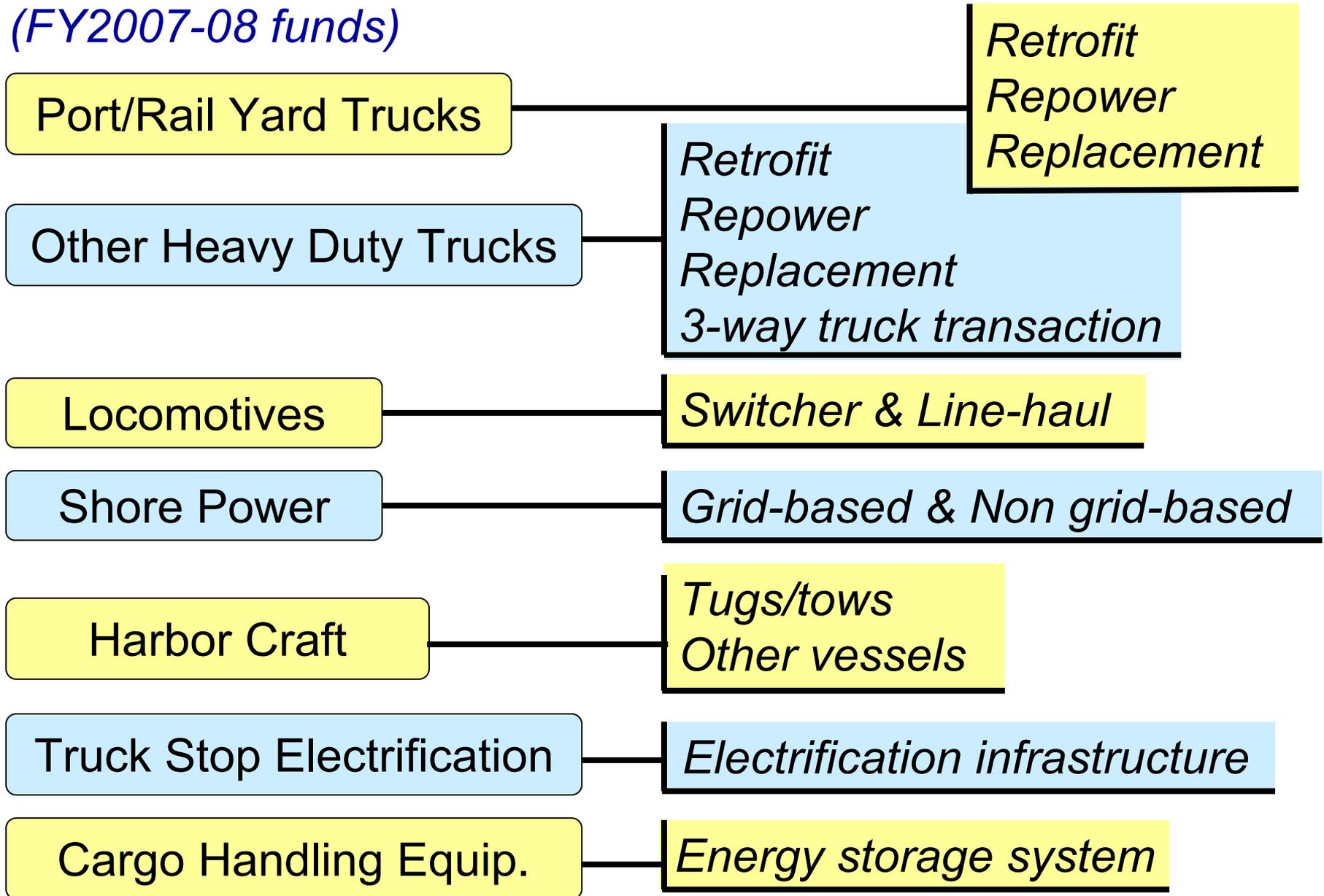
- Complete application
- Legal grant agreement with ARB
- Adequate staffing
- Outreach and competitive process to fund equipment projects
- Contracts w/equipment owners
- Equipment inspections and monitoring
- Projects completed on time
- Data and reports to ARB
- Fiscal controls and audit participation

Equipment Owner Responsibilities

- Complete application
- Legal contract with local agency
- Commit to operational requirements
 - 100% within CA; 50% within trade corridors
- Agree to equipment inspections
- Agree to an equipment tracking device
- Submit annual data to local agencies

Equipment Project Options

(FY2007-08 funds)



Changes to Equipment Project Options

(since Jan 7, 2008 project specifications)

- Expanded eligibility for truck retrofits
- Clarified need for 50% of truck travel in corridors
- Added detail to truck stop/distribution center electrification requirements
- Removed option for helper locomotives
- Reduced crane project life to 15 years

FY2007-08: \$250M in Funds Available

Recommended priorities:

- Eligible projects ready for quick implementation
- Truck retrofit projects to add diesel PM filters
- Truck replacement at the Ports of LA/Long Beach



Early Grant Recommendations

Funding	Air District	Equip. Project Options
\$13.8M	South Coast	<ul style="list-style-type: none"> •Replace 130 port trucks •Replace 130 other trucks
\$5.7M	SJ Valley	<ul style="list-style-type: none"> •Retrofit 450 trucks •Replace 60 trucks
\$0.8M	Sac Metro	<ul style="list-style-type: none"> •Replace 15 trucks
\$3.4M	Bay Area	<ul style="list-style-type: none"> •Shore power @ 2 berths •Retrofit 75 port trucks
\$1.3M	San Diego	<ul style="list-style-type: none"> •Replace/retrofit port trucks •Retrofit 115 Imperial trucks
\$25M		

Public Participation

- Development of program guidelines, funding criteria and targets
- Community input on local proposals
- Review of local agency applications
- Ranked equipment project list on web
- Project status information on web
- Regular progress reports
- Annual community meetings



Program Relationship to Key Existing Requirements

Existing Requirements	Program Benefits
Shore Power Rule	Early & Extra
Commercial Harbor Craft Rule	Early & Extra
Drayage Truck Rule	Early & Extra
Locomotive Agreements	Extra
Cargo Equipment Rule	Extra

Program Relationship to Upcoming ARB Regulations

- Prior to Board action on regulation
 - Time frames to complete a project prior to a regulatory requirement **do not** apply
- After Board action on regulation
 - Time frames to complete a project prior to a regulatory requirement apply

Program Relationship with the Carl Moyer Incentive Program

- Equipment owners are:
 - Prohibited from applying for both programs at the same time for a single equipment project
 - Prohibited from receiving funds from both programs for a single equipment project (except for AB 923 funds)
 - Encouraged to evaluate the best funding “fit”
- Examples: shore power, harbor craft

Program Schedule

Feb 15	11 th public workshop
Feb 28-29	Board considers Guidelines, funding targets, and \$25M in early grants
Mar/Apr	Local agency applications due
Apr/May	Ranked local agency projects posted Workshops and staff recommendations
May 22	Board approves \$225M in projects
May 22-Jun	Grant agreements with local agencies
July+	Local agency implementation begins Contracts with equipment owners Equipment installed/operational



Contact Information



- <http://www.arb.ca.gov/gmbond>
 - Sign up for listserv notices
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Goods Movement Strategies Section

