

CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC MEETING TO CONSIDER APPROVAL OF INTERIM GUIDANCE FOR AGENCIES RECEIVING MONIES FROM THE GREENHOUSE GAS REDUCTION FUND

The Air Resources Board (ARB or Board) will conduct a public meeting at the time and place noted below to consider approval of interim guidance to agencies administering Greenhouse Gas Reduction Fund monies for investment in projects to reduce greenhouse gases. The focus is on investments to benefit disadvantaged communities.

DATE: September 18, 2014

TIME: 9:00 a.m.

PLACE: California Environmental Protection Agency
Air Resources Board
Byron Sher Auditorium
1001 I Street
Sacramento, California 95814

This item will be considered at a one-day meeting of the Board, which will commence at 9:00 a.m., September 18, 2014. Please consult the agenda for the meeting, which will be available at least 10 days before September 18, 2014, to determine the order in which this item will be considered.

In 2006, the Legislature passed the California Global Warming Solutions Act of 2006 (Assembly Bill 32 (AB 32); Chapter 488, Statutes of 2006). AB 32 directed ARB to address climate change using a multi-year program to reduce greenhouse gas (GHG) emissions in California to 1990 levels by 2020, and to maintain and continue reductions beyond 2020. ARB has adopted a Scoping Plan and, together with other State and local agencies, has developed and implemented numerous programs to reduce emissions to meet these goals.

The Cap-and-Trade Program is a key element of the Scoping Plan. The program distributes a portion of Cap-and-Trade allowances through an auction in which carbon allowances can be purchased from the State. The first auction was held on November 14, 2012 and subsequent auctions have been conducted quarterly.

In 2012, the Legislature passed and Governor Brown signed into law three bills—AB 1532 (Pérez, Chapter 807, Statutes of 2012), SB 535 (De León, Chapter 830, Statutes of 2012), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39, Statutes of 2012)—that provide the framework for how the proceeds from the Cap-and-Trade auctions will be appropriated and expended. These statutes require that the State's portion of the auction proceeds be deposited in the Greenhouse Gas

Reduction Fund (GGRF) to support programs that further the purposes of AB 32. The expenditure of Fiscal Year (FY) 2013-14 and 2014-15 auction proceeds must be consistent with an Investment Plan that the Administration completed in May 2013 in accordance with AB 1532 and SB 535. SB 535 specifically requires California Environmental Protection Agency to identify disadvantaged communities and the Investment Plan to allocate at least 10 percent of the GGRF monies to projects located within disadvantaged communities and at least 25 percent to projects benefitting disadvantaged communities. In addition, SB 862 (Chapter 836, Statutes of 2014) establishes requirements for State agencies receiving FY 2014-15 appropriations of GGRF monies.

SB 862 directs ARB to develop funding guidelines for State agencies that receive GGRF appropriations for investment in projects. ARB is developing these guidelines in stages, by first issuing interim guidance in 2014 and completing full funding guidelines in 2015. For this Board Meeting, staff will present and the Board will consider approval of the interim guidance on investments to benefit disadvantaged communities.

For agencies implementing programs with FY 2014-15 funds, the interim guidance provides: (1) direction on maximizing the benefits of investments to disadvantaged communities and (2) criteria for determining whether GGRF investment projects are located within and provide benefits to disadvantaged communities. The interim guidance is concentrated on the investments and project types in this funding cycle that are most likely to be located within or provide benefits to disadvantaged communities and the criteria for determining whether outcomes of these investments provide benefits.

Future installments of auction proceeds guidance will provide direction on additional items, such as quantification methods for GHG reductions and co-benefits, and ongoing project tracking and reporting requirements.

On August 22, 2014, staff released the "Cap-and-Trade Auction Proceeds, Investments to Benefit Disadvantaged Communities: Interim Guidance to Agencies Administering Greenhouse Gas Reduction Fund Monies – Draft for Comment." This draft interim guidance is available for public review and comment at <http://www.arb.ca.gov/cc/capandtrade/auctionproceeds/workshops/arb-sb-535-interim-guidance-08-22-2014.pdf> and may be obtained from ARB's Public Information Office, 1001 I Street, First Floor, Environmental Services Center, Sacramento, California, 95814, (916) 322-2990. More information is also available on ARB's website <http://www.arb.ca.gov/auctionproceeds/>

Interested members of the public may present comments orally or in writing at the meeting and may provide comments by postal mail or by electronic submittal before the meeting. To be considered by the Board, written comments not physically submitted at the meeting, must be received **no later than 5:00 pm, September 15, 2014**, and addressed to the following:

Postal mail: Clerk of the Board, Air Resources Board
1001 I Street, Sacramento, California 95814

Electronic submittal: http://www.arb.ca.gov/lispub/comm2/bcsubform.php?listname=sb-535-guidance-ws&comm_period=1

Please note that under the California Public Records Act (Government Code section 6250 et seq.), your written and verbal comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

ARB requests that written and email statements on this item be filed at least 10 days prior to the meeting so that ARB staff and Board members have additional time to consider each comment. Further inquiries regarding this matter should be directed to Mr. Matt Botill, Manager, Climate Investments Policy Section, phone at (916) 324-2828.

SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the meeting;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 10 business days before the scheduled Board meeting.

TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia;
- Documentos disponibles en un formato alterno u otro idioma;
- Una acomodación razonable relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 10 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

CALIFORNIA AIR RESOURCES BOARD



Richard W. Corey
Executive Officer

Date: 9/5/14

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our website at www.arb.ca.gov.