



# Air Resources Board



**Matthew Rodriguez**  
Secretary for  
Environmental Protection

**Mary D. Nichols, Chairman**  
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Sacramento, California 95812 • [www.arb.ca.gov](http://www.arb.ca.gov)

**Edmund G. Brown Jr.**  
Governor

DATE: March 4, 2015

Mail-Out # 15-05

TO: All Interested Parties

SUBJECT: THIRD PUBLIC WORKSHOP ON DEVELOPMENT OF THE FISCAL  
YEAR 2015-16 FUNDING PLAN FOR THE AIR QUALITY  
IMPROVEMENT PROGRAM AND LOW CARBON TRANSPORTATION  
INVESTMENTS

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The Air Resources Board (ARB or Board) invites you to participate in a third public workshop on the Fiscal Year (FY) 2015-16 Funding Plan for the Air Quality Improvement Program (AQIP) and Low Carbon Transportation Investments.

The meeting will be held at the following time and place:

Date: Thursday March 26, 2015  
Time: 10:00 a.m. to 4:00 p.m.  
Place: Cal/EPA Headquarters Building  
Coastal Hearing Room, 2nd Floor  
1001 I Street  
Sacramento, California 95814

This meeting will be webcast for those unable to attend in person. The broadcast can be accessed on the day of the workshop at <http://www.calepa.ca.gov/broadcast/>. Information on submitting questions or comments will be provided during the webcast for remote participants.

A draft meeting agenda is attached. ARB staff plans to post a discussion document outlining its draft recommendations on project categories, funding allocations, and project criteria for the Funding Plan several days before the workshop on ARB's AQIP/Low Carbon Transportation website at <http://www.arb.ca.gov/aqip/>. Staff's presentation will also be posted on this website the morning of the workshop.

This is the final planned public workshop for development of the FY 2015-16 Funding Plan. ARB staff plans to release the proposed FY 2015-16 Funding Plan in May 2015 for Board consideration in June 2015.

*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: <http://www.arb.ca.gov>.*

California Environmental Protection Agency

## Background

**AQIP:** AQIP is a voluntary, mobile source incentive program that focuses on reducing criteria pollutant and diesel particulate emissions with concurrent reductions in greenhouse gas emissions. ARB focuses AQIP investments on technology advancing projects that support California's long-term air quality and climate change goals in addition to providing immediate emission benefits. In recent years, funding has included rebates for zero and near-zero emission passenger vehicles through the Clean Vehicle Rebate Project (CVRP), vouchers for hybrid and zero-emission trucks and buses through the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), and the Truck Loan Assistance Program for small business truck owners in need of truck replacements or retrofits. The Governor's proposed FY 2015-16 Budget includes a \$23 million allocation for AQIP projects.

**Cap-and-Trade Auction Proceeds Low Carbon Transportation Funding:** Cap-and-Trade auction proceeds provide an additional funding source for ARB's advanced technology, clean transportation incentive programs, thus expanding the types of projects ARB has funded through AQIP. The FY 2014-15 State budget appropriated \$200 million to ARB for Low Carbon Transportation projects to reduce greenhouse gas emissions with an emphasis on investments that benefit disadvantaged communities. These investments are being used to expand CVRP and HVIP to meet demand and add new light-duty pilot projects to benefit disadvantaged communities, zero-emission truck and bus pilots to increase the use of the cleanest vehicles in disadvantaged communities, and demonstration projects to accelerate the introduction of advanced emission reduction technologies for the freight sector with projects located in areas that benefit disadvantaged communities. The Governor's proposed FY 2015-16 Budget includes a \$200 million allocation for ARB for Low Carbon Transportation to continue ARB's investments from the FY 2014-15 funding cycle.

**New Legislation:** Senate Bill (SB) 1275 (De León, Chapter 530, Statutes of 2014) establishes the Charge Ahead California Initiative with the goals of placing one million zero-emission and near-zero emission vehicles in California by 2023 and increasing access to these vehicles for lower-income consumers and consumers in disadvantaged communities. SB 1275 requires ARB to limit consumer eligibility for CVRP based on income, ensure that rebate levels can be phased down, and conduct various planning and technology assessment activities, among other provisions. SB 1204 (Lara, Chapter 524, Statutes of 2014) creates the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program to fund the development, demonstration, pre-commercial pilot, and early commercial deployment of zero- and near-zero emission technologies with priority given to projects that benefit disadvantaged communities. SB 1204 establishes specific requirements related to how ARB prioritizes project

categories and selects projects. ARB will address the requirements of these new laws in the FY 2015-16 Funding Plan.

### Meeting Information

At this workshop, staff will discuss and seek input on:

- Staff's draft funding allocations and project categories to implement proposed FY 2015-16 funding for AQIP and Low Carbon Transportation Investments including possible refinements to project criteria for ongoing projects to improve implementation.
- Staff's draft recommended changes to CVRP to address SB 1275 including the requirement to limit consumer eligibility by income.
- Staff's draft recommendations for continuing light-duty pilot projects focusing on expanding access to clean transportation for lower-income consumers and disadvantaged communities as required by SB 1275.
- Staff's draft recommended framework and performance criteria for implementing the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program as a mechanism for Low Carbon Transportation investments in heavy-duty vehicle and equipment projects as required by SB 1204.
- Staff's recommendations for data collection and analysis to support heavy-duty demonstration and pilot projects.

### Special Accommodations

If you require a special accommodation or need this document in an alternate format (i.e. Braille, large print) or another language, please contact Ms. Stella Ling-Taylor, Air Pollution Specialist, at (916) 322-6369 or [stella.lingtaylor@arb.ca.gov](mailto:stella.lingtaylor@arb.ca.gov) as soon as possible, but no later than 10 business days before the scheduled meeting. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

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If you have questions regarding the workshop, please contact Mr. Andrew Panson, Staff Air Pollution Specialist, at (916) 323-2809 or [andrew.panson@arb.ca.gov](mailto:andrew.panson@arb.ca.gov).

Sincerely,

/s/

Erik White, Chief  
Mobile Source Control Division

Attachment

cc: Mr. Andrew Panson  
Staff Air Pollution Specialist  
Mobile Source Control Division

Ms. Stella Ling-Taylor  
Air Pollution Specialist  
Mobile Source Control Division

## Attachment

### Third Public Workshop on the Development of the Fiscal Year (FY) 2015-16 Funding Plan for the Air Quality Improvement Program (AQIP) and Low-Carbon Transportation Investments

March 26, 2015

#### Draft Agenda

|                  |   |
|------------------|---|
| 10 am – 10:30 am | Introduction and Overview of Project Category Funding Allocations   |
| 10:30 am – Noon  | Light-Duty Vehicle Investments (SB 1275) <ul style="list-style-type: none"><li>• Clean Vehicle Rebate Project</li><li>• Pilot Projects to Benefit Disadvantaged Communities</li></ul> |
| Noon – 1 pm      | Lunch Break   |
| 1 pm – 3 pm      | Heavy-Duty Vehicle and Off-Road Equipment Investments (SB 1204)   |
| 3 pm – 3:30 pm   | Truck Loan Assistance Program   |
| 3:30 pm – 4 pm   | Wrap Up, Next Steps, and Additional Comments  |

*A final agenda will be posted on ARB's AQIP/Low Carbon Transportation web site (<http://www.arb.ca.gov/aqip/>) several days before the workshop.*