CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC MEETING TO CONSIDER UPDATES TO THE PROPOSITION 1B: GOODS MOVEMENT EMISSION REDUCTION PROGRAM GUIDELINES

The Air Resources Board (ARB or Board) will conduct a public meeting at the time and place noted below to consider adopting updates to the Proposition 1B: Goods Movement Emission Reduction Program Guidelines (Program Guidelines).

DATE: June 25, 2015

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. on June 25, 2015. Please consult the agenda for the meeting, which will be available at least ten (10) days before June 25, 2015, to determine the schedule on which this item will be considered.

BACKGROUND

The movement of freight (goods movement) throughout California results in emissions of diesel particulate matter (diesel PM), oxides of nitrogen (NOx), and other pollutants. Freight movement involves the use of a variety of mobile emission sources, such as heavy duty trucks, diesel locomotives, ocean-going cargo ships, harbor craft, and cargo handling equipment. ARB has identified diesel PM as a toxic air contaminant, and NOx contributes to regional ozone and PM levels that exceed State and federal air quality standards. The emissions from these mobile sources result in significant human health risks and adverse environmental effects, particularly when such sources release emissions near already heavily impacted communities located in California's trade corridors where these sources operate.

Proposition 1B, approved by voters in 2006, authorizes $1 billion in bond funding to ARB to reduce air pollution emissions and health risk from freight movement along California's four priority trade corridors.

The Proposition 1B: Goods Movement Emission Reduction Program (Program) is a partnership between ARB and local agencies (like air districts and ports). ARB develops the Program Guidelines and awards Program funding to local agencies; those agencies then use a competitive process to provide incentives to equipment owners to upgrade to cleaner technology. The local agencies are a critical part of the Program,

and have assisted thousands of equipment owners in applying for and obtaining funding since the inception of the Program.

Proposed Revisions to the Program Guidelines

The proposed updates to the Program Guidelines are part of a periodic process to revisit the Program requirements. ARB staff is proposing to continue to provide funding for small fleets consistent with prior Board direction and provide enhanced funding opportunities for advanced technology in accordance with the goals of the *Sustainable Freight: Pathways to Zero and Near-Zero Emissions Discussion Draft*. The proposed updates also include modifications to existing project options and funding levels. These modifications are based on regulatory compliance deadlines and availability of new technology. Finally, the update includes administrative changes to improve effectiveness.

Project Options and Funding Levels. The Program provides an incentive to equipment owners to upgrade to cleaner equipment and achieve early or extra emission reductions beyond those required by applicable regulations. However, many regulations are now in effect and their compliance deadlines are considered with each Program Guidelines update. The effect of the regulations on the Program is that the nature and cost-effectiveness of the eligible projects have changed. There are fewer projects that are "early" to the regulations, therefore, the Program is moving towards funding more projects with emission reductions that are "extra," including providing additional funding for zero/near-zero emission technologies to encourage equipment owners to purchase the cleanest equipment. Additionally, ARB staff is proposing to modify the eligibility and funding levels of several project categories based on feedback and new information received from the local agencies and stakeholders since the last Program Guidelines revision.

Administrative Changes. Based upon experience from prior grants and input from the local agencies implementing the Program, ARB staff is proposing minor changes to streamline implementation while still maintaining the integrity of the Program.

DOCUMENT AVAILABILITY

ARB staff will present a written and verbal status to the Board at the meeting on June 25, 2015. A Staff Draft Concept Paper (April 15, 2015) and associated workshop slides describe staff's preliminary proposed updates to the Program Guidelines. These materials are currently available on the Program website at http://www.arb.ca.gov/gmbond

ARB staff expects to release its formal recommendations for Board action in a Staff Report and in proposed updates to the text of the Program Guidelines by June 12, 2015. Once posted, copies of the Staff Report and proposed Guidelines may be obtained from the Public Information Office, Air Resources Board, 1001 I Street,

Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814, (916) 322-2990. The Staff Report and proposed Program Guidelines may also be obtained from the Program website listed above.

SUBMITTAL OF COMMENTS AND AGENCY CONTACT PERSONS

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, June 22, 2015,** 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/comm/bclist.php

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 Ms. Jennifer Kozumplik, Air Pollution Specialist, at (916) 322-6019 or Ms. Barbara Van Gee, Manager, Goods Movement Strategies Section at (916) 324-9949.

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 envié 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: June 9, 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 at www.arb.ca.gov.