

# Rule 1304.1 - Electrical Generating Facility Annual Fee For Use Of Offset Exemption

## 3<sup>rd</sup> Implementation Working Group Meeting

### November 20, 2014

# Background

- Rule 1304.1 adopted on September 6, 2013
- Governing Board directed staff to work with stakeholders to develop guidelines for use of funds
  - First Meeting October 23, 2013
  - Second Meeting July 10, 2014
- Governing Board added rule language
  - “. . .priority will be placed on the use of the funds to improve air quality consistent with the AQMP in the impacted, surrounding communities”

# CPV Sentinel

## A Case Study

- AB 1318 established broad parameters for permitting CPV Sentinel
  - Fee for offsets
  - Emission reductions must occur:
    - 30% areas in close proximity
    - 30% in environmental justice (EJ) areas
    - 40% anywhere within AQMD jurisdiction – Governing Board discretion
    - Governing Board decided to spend 100% of funds in Coachella Valley (CV)

# CPV Sentinel

## Projects Approved for Funding

- LNG stations
- CNG: vehicles, station upgrades; buses; fueling facilities; food delivery vehicles
- Solar panels: College of the Desert; City Buildings; Boys & Girls Club (EJ Area) and High School
- Paving and dust control: mobile home parks, Cabot's Museum, senior and health centers, Torres Martinez Indian Reservation
- CV Link – electric vehicle/biking/walking parkway
- Signal synchronization
- Home weatherization

# Proposed E.J. Definition (consistent with PR 1304.2)

- **ENVIRONMENTAL JUSTICE AREA** means an area where:
  - at least 10 percent of the population falls below the Federal poverty level based on the 2008-2012 or more recent American Community Survey (ACS) data; **AND**
    - the highest 15 percentile of PM2.5 concentration measurements interpolated to a 2 kilometer grid of the most recent Multiple Air Toxics Emissions Study (MATES) modeling domain; **OR**
    - the highest 15 percentile of cancer risk as calculated in the most recent MATES.

# Proposed Principals

- Monies should be spent in nearby, impacted areas
- Priority should be given to EJ areas, preferred resources and AQMP control measures
- Program parameters should be flexible to adjust funding for each unique location
  - Proximity of EJ areas to project site
  - Nature and amount of project proposals received
  - Specific community needs

# Use of Funds

- Definition of impacted community or nearby area
- Possible Pre-Specifications
  - X% of Funding in impacted/nearby areas
  - X% of Funding in EJ areas
  - X% on specific project/program types

# Summary of Discussion

## October 2013 Meeting

### ■ Project Concepts Received

- Electrification of 710 Corridor
- Port Projects
- LED Street Lights
- CNG Truck Conversions
- Photovoltaic solar
- SB 375 Street Renovations to Reduce VMT
- EV Infrastructure
- Public Transportation Infrastructure

# Update – Approved OTC

- Huntington Beach 640 MW
- Los Alamitos 640 MW
- Uncertain at this time if project proponents will opt for single, annual or hybrid payments

# Next Steps

- Refine Funding Criteria
- Develop Criteria for Proposal Evaluation
  - Geographical Area
  - Project/Program Types
  - Scoring Criteria
- Further input from stakeholders
  - Follow-up Working Group Meeting(s)
- Board Approval on Implementation Guidelines