Rule 1304.1 Implementation Guidelines For Disbursement and Tracking of Funds

Working Group Meeting #5

January 26, 2016
January 22, 2016 Stationary Source Committee (SSC) Discussion

Project selection criteria
• Proximity to source; EJ areas

Objectives
• AQMP attainment goals; emission reductions; cost-effectiveness; impacted communities

Project types
• Stationary, area, mobile, indirect sources; short-term/long-term; educational, research and development; seed cost sharing
Staff’s Initial Suggestion

Target 50% minimum funding within close proximity (6 miles)
- Issue RFP when a minimum of $0.5 million is received

Target 50% minimum funding in EJ areas
- Through existing District programs
- Within and to benefit EJ communities

Projects/Programs should focus on particulate and ozone attainment consistent with AQMP needs
- NOx and direct PM2.5 emission reductions
Stakeholder Issues

Speakers
- HB Councilmember Mike Posey
- HB Councilmember Barbara Delgleize
- HB resident Mary Urashima

Issues
- Use CalEnviroScreen to Define EJ areas
- Increase Proximity to 10 miles
- Include EJ area closer to EGF and in HB (Oakview Community)
- Bound EJ area to within 15 miles of EGF
SSC Direction

Reconsider Proximity Criteria
- Expand proximity criteria from a 6 to a 10 mile radius
- Limit SCAQMD EJ criteria to 15 mile radius

Fund threshold ($1M) criteria for RFP issuance
- Issue RFP annually (proximity and EJ projects)

Project can qualify based on either proximity or EJ criteria alone, or both

For each project, criteria should be ranked individually

Consideration for “shovel ready” to expedite funding
SSC Direction (cont.)

Maintain 50/50 dispersment for proximity and EJ

Continue with SCAQMD definition of EJ

Funding variations and final approval rest with Governing Board at time of approval

Return for further discussion at SSC in February
  ◦ To further review implementation guidelines
  ◦ Provide examples of project selection criteria
## Potential 1304.1 Repowering*

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<th>Location</th>
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* Projected August 2015

Note: AES Redondo Beach has indicated decommissioning, but District has yet to receive a request for cancelation
EJ Area Definition

Both Poverty and Air Quality Criteria

Poverty Criteria
• An area where at least 10% of the population falls below the Federal poverty level based on the most recently published American Community Survey (ACS) data AND

Air Quality Criteria
• SoCAB
  - The highest 15th percentile of PM2.5 OR
  - The highest 15th percentile of cancer risk from MATES
• Coachella Valley (CV)
  - The highest 15th percentile of PM10 concentration in CV
EJ AREAS IN THE SCAQMD

Legend

- EJ Area

Mojave Desert
Air Basin

SoCAB

Salton Sea
Air Basin
9 Potential Repower Projects in the SCAQMD (August 2015) – 15 Mile Radius
Example – Different Radius

6 Miles
10 Miles
15 Miles

For illustration purposes only

EJ Area
Power Plant Location

AES HUNTINGTON BEACH
RFP Evaluation Criteria

(1318 Example)

• Experience and expertise of Proposer or other evidence of capacity to complete the project

• Aids in achievement of AQMD’s regional air quality goals and/or promotes long-term emission reduction technologies/strategies associated with state/federal regulatory clean air plans

• Job creation

• Effective use of funds

• Secondary benefits, other than jobs

• Community/government support
RFP Evaluation Criteria
(1318 Example - Additional Credit)

• Small Business or Small Business joint venture
• DVBE or DVBE joint venture
• Use of DVBE or Small Business subcontractors
• Low-emission vehicle business
• Local business (Non-EPA funded projects only)
• Off-peak hours delivery business
• City or local government is project proponent
### Next Steps:

<table>
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<td>Stakeholder Feedback (no later than)</td>
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<tr>
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<td>Governing Board Meeting (Public Hearing)</td>
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