

2021 INCENTIVE FUNDING SUMMARY

EASTERN COACHELLA VALLEY (ECV)
MARCH 5TH, 2021



Diana Thai
Program Supervisor

PROJECT FUNDING PROCESS – OVERVIEW



Incentive Strategies Workshop

- Overview of Past CAPP incentives
- Overview of funding across all 5 AB 617 communities

October 15, 2020



Governing Board Meeting

- Recognized Year 3 CAPP incentive funds
- Approved Year 3 CAPP Incentive funds for mobile source and other eligible projects

January 8, 2020



CSC Meeting – Incentives Strategy

- Guidelines for Year 3 CAPP Incentives
- Overview of staff recommendation for Year 3 CAPP Incentives

January 21, 2021



CSC Meeting

- CSC input to develop eligible project list supported by CERP

Today

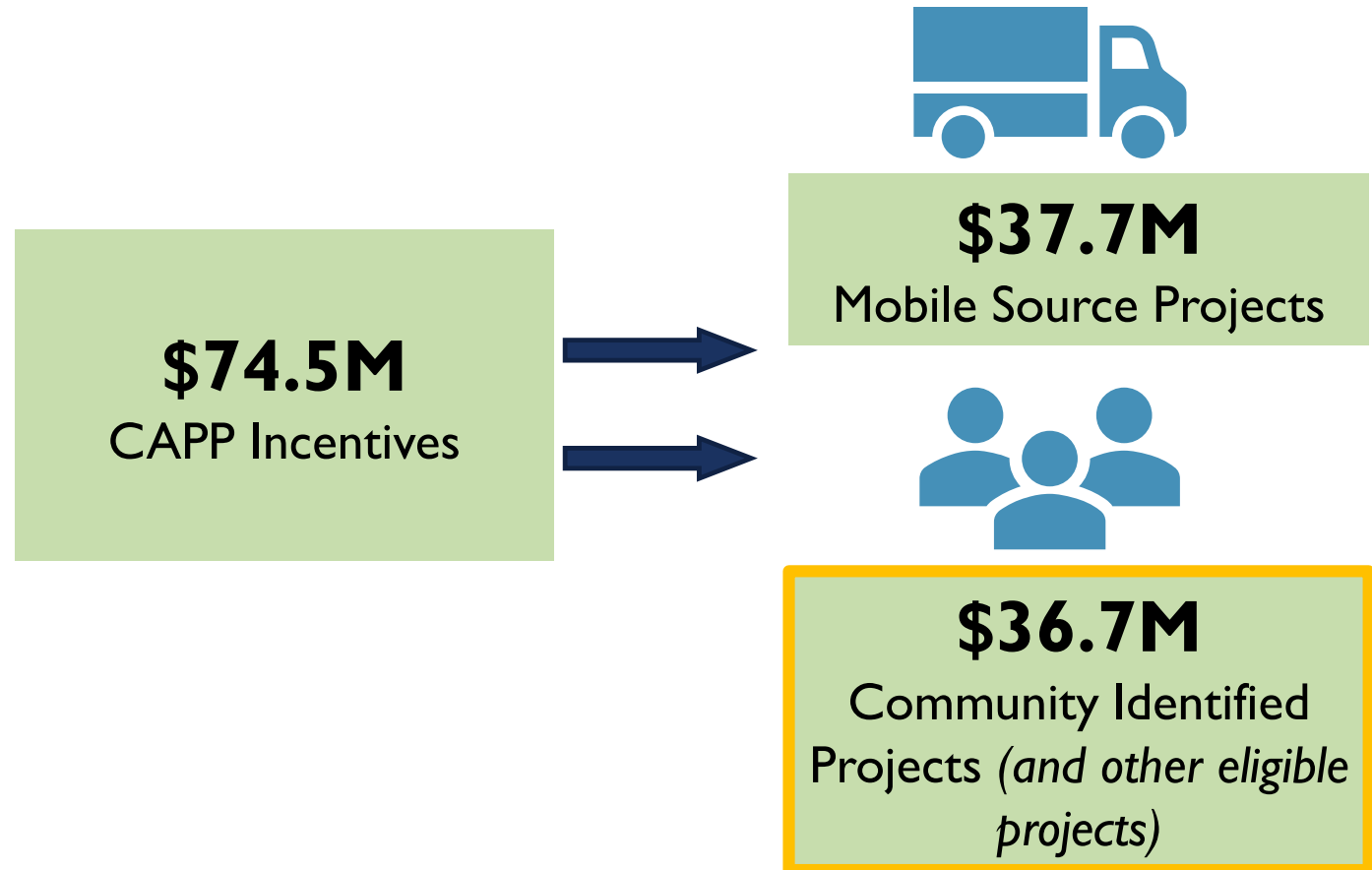


Submit funding request to CARB for approval

May 1, 2021

JANUARY CSC MEETING RECAP – INCENTIVES STRATEGY FOR YEAR 3 CAPP FUNDS

- South Coast AQMD Governing Board approved Year 3 CAPP incentive funds for
 - Mobile source projects
 - Community identified and other eligible projects



INCENTIVES STRATEGY FOR YEAR 3 CAPP FUNDS

Total Year 3 CAPP Funds: \$74.5 Million

MOBILE SOURCE PROJECTS* (~\$37.7 MILLION)



- \$13,798,131 for mobile source projects in ECV
 - 53.1 tons of NO_x reductions
 - 4.20 tons of DPM reductions
- Projects in ECV include off-road equipment replacement projects and an infrastructure project (i.e., Compressed Natural Gas (CNG) station)

COMMUNITY-IDENTIFIED* AND OTHER ELIGIBLE PROJECTS (~\$36.7 MILLION)



- \$5.57 million for community identified projects in ECV
- CSC to provide input on projects to be funded today

JANUARY CSC MEETING RECAP – INCENTIVES STRATEGY FOR YEAR 3 CAPP FUNDS

Road paving

- Pave unpaved roads and mobile home parks (e.g., Polanco Parks) in the community

Urban greening and vegetative barriers

- Establish vegetation along and around sources of air pollution in the community (e.g., rail line)

Salton Sea and pesticides exposure reduction

- Invest in projects that will reduce exposure to pesticides from agricultural fields and dust emissions from the Salton Sea playa near schools and homes

Clean off-road equipment (e.g., construction, agricultural)

- Invest in projects that reduce tailpipe emissions from off-road mobile sources

INCENTIVES STRATEGY FOR YEAR 3 CAPP FUNDS – CERP INCENTIVE OPPORTUNITIES

AQ Priority	CERP Incentive Opportunities
Salton Sea	Dust suppression projects in the playa
Open Burning and Illegal Dumping	Alternatives to agricultural burning (i.e., chipping)
Diesel Mobile Sources	Replace older on-road (e.g., trucks, buses) and off-road (e.g., agricultural equipment) equipment with cleaner technology
Fugitive Road Dust	Pave roads and mobile home parks (i.e., Polanco parks)
Exposure Reduction	Air filtration systems (i.e., PM and/or H ₂ S) at schools and homes
Other	Tree planting (native, drought tolerant)

COST FOR CERP INCENTIVE PROJECTS – MOBILE SOURCE PROJECTS

Project Type	Project Cost	Project Funding for ECV in 2021	South Coast AQMD Funding Amount*	Avg. Cost Effectiveness (\$/ton)	Avg. NOx Reductions (tpy)	Avg. ROG Reductions (tpy)	Avg. PM Reductions (tpy)
Class 8 Low-NOx Truck	\$150,000 - \$190,000	\$0	\$51,618 - \$100,000	\$31,085	0.42	0.05	<0.001
Class 8 Zero Emission Truck	\$380,000 - \$550,000	\$0	\$17,438 - \$200,000†	\$79,972	0.39	0.03	<0.001
Zero Emission School Bus	\$320,000 - \$420,000 (Class A - D)	\$0	\$155,000-\$370,000	\$1,820,000 (Class D)	0.14	0.005	<0.001
Tier 4 Locomotives (Freight)	\$2.5 million	\$0	\$1.9 million	\$21,830	4.7	0.25	0.08
Off-Road - Agricultural Equipment	\$70,000 - \$1.2 million	\$12.6 million	\$50,000 - \$1 million	\$11,670	1.5	0.11	0.08
Road Paving	\$450,000 - \$500,000 per lane mile	\$0	TBD	\$461,000	Not Applicable	Not Applicable	1.03
Alternatives to Open Agricultural Burning	\$400 - \$1,500 per acre**	\$0	TBD	Not Available	Not Applicable	Not Applicable	TBD
Salton Sea Dust Suppression Projects***	\$15,000 - \$157,000 per Project	Information Pending	TBD	Not Available	Not Applicable	Not Applicable	TBD









































*Based on averages from previously awarded incentive projects and is subject to change given new project applications, incentive program criteria and/or funding limits

**Costs are not based on previously awarded incentive projects and depend on many variables (e.g., crop type)

***Costs are not based on previously awarded incentive projects and are location dependent (e.g., water availability). The State spent \$438,835 in 2020, excluding Imperial Irrigation District (IID) projects. 7

† Funding for ZE trucks is not capped at 200k but rather at a percentage based on the size of the fleet



Project Type	Cost*	Implementation Difficulty	PM Emission Reductions	NOx Emission Reductions
Class 8 Low-NOx Truck	\$\$			 
Class 8 Zero Emission Truck	\$\$\$			 
Zero Emission School Bus	\$\$\$			
Tier 4 Locomotives (Freight)	\$\$\$\$	  	  	   
Off-Road - Agricultural Equipment	\$\$\$		  	  
Road Paving**	\$\$\$	 	   	None
Alternatives to Open Agricultural Burning	Unknown	 	Unknown	None
Salton Sea Dust Suppression Projects	\$\$	   	Unknown	None

- *Based on cost from previously awarded incentive projects. Averages are subject to change given new project applications, incentive program criteria and/or funding limits.
- **Based on one lane mile of paving

COST FOR CERP INCENTIVE PROJECTS – EXPOSURE REDUCTIONS AND OTHER PROJECTS

Project Type	Cost	Cost-Effectiveness	Air Quality Benefit
Air Filtration System (PM only)	\$30,000 - \$300,000* per project	N/A	Exposure Reduction
Tree Planting	\$250 - \$290 per tree	N/A	Exposure Reduction

*Cost varies by school type, school size, and years of maintenance provided. The average cost of a H2S stand-alone unit is \$1,200 and does not include additional costs (e.g., maintenance, installation)

INCENTIVES STRATEGY FOR YEAR 3 CAPP FUNDS – PROJECT EXAMPLES

~\$5.57* million =



45 School Air Filters

- Install air filters at 45 schools
- Exposure reductions

OR



10 Electric Trucks

- Replace ~ 10 class 8 trucks with zero-emission trucks
- Reduces ~ 3.5 tpy of NO_x and 0.27 tpy of ROG

OR



12 Lane Miles of Roads

- Pave 12 lane miles of roads
- Reduces ~ 11.3 tpy of PM

*Costs vary by project

AB 617 INCENTIVES IN OTHER AB 617 COMMUNITIES

Biannual Report on AB
617 Community Air
Protection Incentives
available at:

https://ww2.arb.ca.gov/sites/default/files/2020-06/cap_incentives_april_2020_board_update.pdf



Gavin Newsom, Governor
Jared Blumenfeld, CalEPA Secretary
Mary D. Nichols, Chair

TO: Mary D. Nichols
Chair

Honorable Board Members

FROM: Richard W. Corey
Executive Officer

A handwritten signature in blue ink, appearing to read "R. W. Corey".

DATE: April 13, 2020

SUBJECT: BIENNIAL REPORT ON AB 617 COMMUNITY AIR PROTECTION
INCENTIVES

On May 23, 2019, the California Air Resources Board (CARB or Board) approved the *Community Air Protection Incentives 2019 Guidelines* (Guidelines) which contain criteria and eligibility for Community Air Protection (CAP) incentives supporting Assembly Bill (AB) 617 (Chapter 136, Statutes of 2017). In Resolution 19-12 the Board delegated authority to the Executive Officer to modify the Guidelines as necessary, and directed that staff update the members of the Board biannually. This memo includes the most recent air district progress reported to CARB during the November 2019 reporting period.

Background

AB 617 directed CARB, in conjunction with local air districts, to establish the CAP Program. Specifically, AB 617 directs CARB and the air districts to actively engage with members of heavily impacted communities, follow their guidance, and address local criteria air pollutant and toxic air contaminant sources of concern through a variety of strategies including incentives.

The CAP Program revolves around addressing the concerns of selected communities through the creation of air monitoring plans and emissions reduction programs. In advance of the initial community selection, the Legislature directed that CAP incentives be focused in disadvantaged and low-income communities to ensure nimble action. Since 2017, the Legislature has appropriated money from the Greenhouse Gas Reduction Fund (GGRF) for incentives to support AB 617, as summarized in Table 1 in the Appendix.

In April 2018, and again in May 2019, the Board directed staff to ensure the air districts:



DISCUSSION

- Are there any additional projects* that you want to suggest that support the ECV CERP actions?
- Staff will conduct a live survey to help prioritize project types
- Follow-up prioritization form will be provided to gather additional community input



* If needed, a plan will be developed for community-identified projects for approval by CARB

Priority #1

Which project would you rank as your #1 priority?

Priority #2

Which project would you rank as your #2 priority?

Priority #3

Which project would you rank as your #3 priority?

Trucks

School Buses

Tier 4 Locomotives

Road Paving

Off-Road Agricultural Equipment

Alternatives to Open Burning

Salton Sea Dust Suppression Projects

Air Filtration Systems

Tree Planting

Submit

PROJECT RANKING FOR YEAR 3 CAPP FUNDING

- Please rank your top three priorities (#1 is highest priority)
- Zoom polls to select rankings
 - Select one option per poll
 - If you are participating by phone, please email your rankings to ab617comments@aqmd.gov

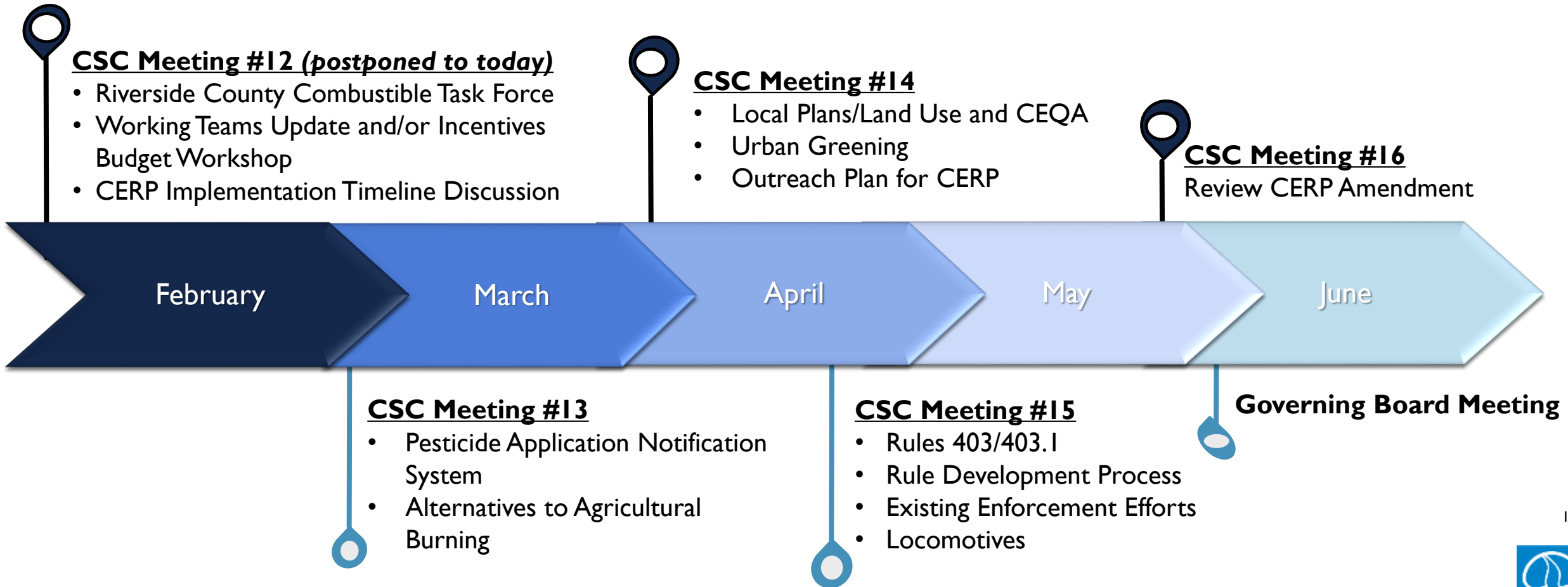
CERP/CAMP DEVELOPMENT AND IMPLEMENTATION

EASTERN COACHELLA VALLEY (ECV) CSC MEETING #12
MARCH 5TH, 2021



Diana Thai
Program Supervisor

CSC SUGGESTED MEETING TOPICS



CERP TIMELINE OVERVIEW



- CERP amendment overlaps with the beginning of CERP implementation
- Staff is collaborating with entities (e.g., Department of Pesticides Regulation (DPR), Riverside County Agricultural Commissioner, Imperial Irrigation District (IID), and others) to begin CERP implementation

CSC COMMENTS ON IMPLEMENTATION TIMELINES

Comment

Staff Response

Improve monitoring timelines for installing and making data available to the community

Staff will work with Monitoring Working Team to address timelines

Collaborate with CNRA and IID in 1st quarter of 2021

Staff is in discussions with both agencies to establish collaborative partnership (i.e., roles and responsibilities)

Conduct thorough review of Rules 403 and 403.1 by 3rd quarter of 2021

Staff will work with CSC members to identify potential evaluation process (i.e., enforcement, effectiveness, rule amendments)

IMPLEMENTATION TIMELINES FOR CERP ACTIONS

Comment

Deploy Pesticide Notification System Pilot Project in 1st quarter of 2021

Improve timelines throughout Pesticides chapter

Amend open burning rules to phase out ag burning by end of 2025

Staff Response

- DPR is developing a statewide pesticide notification system based on the Shafter Pilot Project
- Staff to work with DPR to update the CSC on the Shafter Pilot Project

Staff is in discussions with DPR, OEHHA, and CARB to address timelines in the Pesticides chapter

- Phasing out ag burning is prohibited by State law
- A CERP action includes assessing the feasibility of new requirements for open burning and enhancing enforcement efforts beginning in 2022

DISCUSSION

**Are there additional concerns on
the CERP timeline?**