

BOARD MEETING DATE: June 4, 2021

AGENDA NO. 27

REPORT: Technology Committee

SYNOPSIS: The Technology Committee held a meeting remotely on Friday, May 21, 2021. The following is a summary of the meeting.

RECOMMENDED ACTION:  
Receive and file.

Larry McCallon, Acting Chair  
Technology Committee

MMM:psc

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### **Committee Members**

Present:

Supervisor Lisa Bartlett  
Board Member Gideon Kracov  
Mayor Pro Tem Larry McCallon  
Mayor Pro Tem Carlos Rodriguez

Absent: Council Member Joe Buscaino/Chair  
Vice Mayor Rex Richardson

### **Call to Order**

Acting Chair McCallon called the meeting to order at 12:00 p.m.

### **ACTION ITEMS:**

#### **1. Recognize Revenue and Execute Contract for Class 8 Fuel Cell Truck Demonstration**

South Coast AQMD has been awarded \$500,000 from U.S. EPA to develop and demonstrate two class 8 hydrogen fuel cell trucks with Hyundai Motor Company. These actions are to recognize revenue, upon receipt, of \$500,000 from U.S. EPA FY21 Clean Air Technology Initiative Program into the Clean Fuels Program Fund

(31) and execute a contract with Hyundai Motor Company in an amount not to exceed \$500,000 from the Clean Fuels Program Fund (31).

Chair McCallon emphasized the importance of fuel cell technology development in the class 8 truck sector.

Mayor Pro Tem Rodriguez highlighted the importance of data and progress reports regarding this demonstration and urged staff to work closely with the California Fuel Cell Partnership.

Moved by Bartlett; seconded by Rodriquez; unanimously approved.

Ayes: Bartlett, Kracov, McCallon, Rodriquez

Noes: None

Absent: Buscaino, Richardson

**2. Adopt Resolution Recognizing Funds for FY 2020-21 Carl Moyer State Reserve Program**

In April 2021, CARB approved the final allocations for the FY 2020-21 Carl Moyer “Year 23” State Reserve Program, including \$3,753,310 to South Coast AQMD for battery charging and hydrogen fueling infrastructure projects eligible pursuant to the Carl Moyer Program. This action is to adopt a Resolution recognizing up to \$3.8 million in FY 2020-21 Carl Moyer State Reserve funds from CARB for the implementation of infrastructure projects supporting zero emission vehicles within South Coast AQMD.

Board Member Kracov commented that he does not have a financial interest or conflict of interest but is required to identify for the record that he is a Board Member of CARB which is involved in this item.

Ranji George, a public member, expressed support for this item suggested and the available State Reserve funds equally between battery electric charging and hydrogen fueling infrastructure and consider solar and solar thermal technologies.

Moved by Bartlett; seconded by Kracov; unanimously approved.

Ayes: Bartlett, Kracov, McCallon, Rodriguez

Noes: None

Absent: Buscaino, Richardson

### **3. Issue Program Announcement for Combustion Freight and Marine Projects Category Under Statewide Volkswagen Environmental Mitigation Trust Program**

In December 2019, the Board approved release of a Program Announcement to solicit projects for the Combustion Freight and Marine Projects category considering the first installment of funds totaling \$30 million. This competitive solicitation resulted in approximately \$3.98 million in awarded projects. In an effort to increase participation, CARB and South Coast AQMD propose to release a second solicitation allowing equipment owners to apply on a first-come, first-served basis, however the funding amounts will remain the same. This action is to issue a statewide Program Announcement for the Combustion Freight and Marine Projects category totaling \$26,019,762 for eligible equipment selected on a first-come, first-served basis. This action is also to authorize the Executive Officer to enter into contracts for eligible projects selected through this solicitation.

Board Member Kracov commented that he does not have a financial interest or conflict of interest but is required to identify for the record that he is a Board Member of CARB which is involved in this item.

Mayor Pro Tem McCallon asked why this program is undersubscribed and what actions can be taken to increase participation. Staff explained the main reason is low incentive amounts compared to other programs. Staff also made several proposals to CARB to increase program subscription, which were not accepted.

Supervisor Bartlett expressed the importance of getting the funds out quickly to achieve the needed NOx emission reductions and asked for staff feedback on program changes that would increase participation, such as allowing stacking of funds from other programs.

Mayor Pro Tem Rodriguez suggested a letter by South Coast AQMD Board members on this issue and requested the assistance of Board Member Kracov in addressing this issue with CARB.

Mr. George suggested to provide greater funding for zero emission technologies and vehicles.

Tom Swenson, Cummins, Inc., indicated that funding amounts were significantly lower than other incentive programs, contributing to low participation. Mr. Swenson stated the low participation does not necessarily indicate the industry is not interested in NOx technologies. Allowing for a first come, first served solicitation will provide some assistance, overall funding is still low and allowing for fund stacking is recommended.

Harvey Eder, Public Solar Power Coalition, recommended more focus on other zero emission technologies such as fuel cell technologies and solar.

Moved by Kracov; seconded by Bartlett; unanimously approved.

Ayes: Bartlett, Kracov, McCallon, Rodriguez

Noes: None

Absent: Buscaino, Richardson

**4. Recognize Revenue and Reimburse General Fund for Administrative Costs for Enhanced Fleet Modernization Program**

Since 2015, South Coast AQMD has been implementing an Enhanced Fleet Modernization Program (EFMP), branded as Replace Your Ride. For FY 2020-21, CARB allocated \$1.4 million in AB 118 funds to South Coast AQMD for the continued implementation of the EFMP. These actions are to: 1) recognize up to \$1.4 million from CARB; 2) approve vouchers and other alternative mobility options until all available funds are exhausted; and 3) reimburse the General Fund for administrative costs necessary to implement the EFMP.

Board Member Kracov commented that he does not have a financial interest or conflict of interest but is required to identify for the record that he is a Board Member of CARB which is involved in this item.

Moved by Bartlett; seconded by Rodriguez; unanimously approved.

Ayes: Bartlett, Kracov, McCallon, Rodriguez

Noes: None

Absent: Buscaino, Richardson

**5. Recognize Revenue, Transfer Funds, and Execute Contracts to Deploy 100 Battery Electric Drayage Trucks as part of CARB and CEC Pilot Project**

CARB and CEC awarded South Coast AQMD \$16,019,316 and \$10,964,955 respectively for a Zero-Emission Drayage Truck and Infrastructure Pilot Project. The project will deploy 100 Daimler and Volvo Class 8 battery electric trucks, charging infrastructure, and distributed energy resource technologies at two fleets in disadvantaged communities. These actions, detailed below, are to recognize revenue and co-funding from CARB, CEC, and partners into the GHG Reduction Projects Special Revenue Fund (67); transfer funds as part of our cost share and partner cost share, and as a temporary loan from the Clean Fuels Program Fund (31); return unspent funds to the Clean Fuels Fund upon project completion; authorize the Executive Officer to execute contracts to implement this project; and reimburse the General Fund for administrative costs.

Board Member Kracov commented that he does not have a financial interest or conflict of interest but is required to identify for the record that he is a Board Member of CARB which is involved in this item.

Mayor McCallon remarked that this is a very exciting program and the MSRC is pleased to participate as a partner in the Pilot Project. He commented that incentives are necessary to enable truck drivers to purchase these more expensive battery electric trucks.

Board Member Kracov agreed that the Pilot Project is an exciting program and inquired about the purpose of the project. Staff responded that the intent of the project is to see if real world operations and needs can be achieved. Board Member Kracov asked about the purpose of the data collection process for the battery electric trucks. Staff responded that the data collection will show how the trucks would be charged and if the trucks would be able to make the two trips per day. Board Member Kracov stated that if battery electric trucks are more expensive than CNG or diesel trucks, fleets would not purchase without knowing that battery electric trucks can meet the required duty cycle. Staff responded that the pilot project will be an opportunity to verify that these trucks can meet the required duty cycle, to better understand charging for these trucks and if opportunity charging can increase the number of trips.

Supervisor Bartlett stated that South Coast AQMD's Warehouse Indirect Source Rule (ISR) assesses fees for warehouses in the Inland Empire, but the trucks are polluting along the entire path of travel. Staff clarified that if clean trucks visit these warehouses, the warehouse owner can take credit under the ISR. Supervisor Bartlett pointed out that disadvantaged communities are not deriving any benefits and warehouses that install solar will have to pay mitigation fees in future years. Staff clarified that warehouses would get points in future years for using solar power.

Board Member Kracov stated that the ISR includes multiple options to install solar or purchase low NOx CNG trucks. Staff added that as battery electric trucks get closer to commercialization, these trucks will offer another cleaner option.

Mr. Eder recommended more focus on other zero emission technologies such as fuel cell technologies and solar.

Mr. George recommended more focus on solar technologies and proper battery recycling.

Moved by Kracov; seconded by Bartlett; unanimously approved.

Ayes: Bartlett, Kracov, McCallon, Rodriguez  
Noes: None  
Absent: Buscaino, Richardson

**OTHER MATTERS:**

**6. Other Business**

Mayor Pro Tem Rodriguez requested committee meetings include outreach plans for program funding opportunities. Staff replied that when a press release or other materials are developed, they can be presented to the Board.

Supervisor Bartlett invited everyone to the Volvo Lights Event at 14021 Jeffrey Road in Irvine on May 29, 2021 at 9:00 am, to celebrate the first zero emission refrigerated grocery truck.

Dr. Matt Miyasato introduced Dr. Aaron Katzenstein as the new Assistant Deputy Executive Officer in the Technology Advancement Office. Dr. Katzenstein expressed his excitement for the new opportunity.

**7. Public Comment Period**

Mr. George expressed concerns regarding funding equality for batteries and fuel cell technology.

Mr. Eder expressed concerns regarding battery recycling and supported the usage of alcohol fuels.

**8. Next Meeting Date**

The next regular Technology Committee meeting is scheduled for Friday, August 20, 2021 at noon.

**Adjournment**

The meeting adjourned at 1:30 p.m.

**Attachment**

Attendance Record

**ATTACHMENT**

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
TECHNOLOGY COMMITTEE MEETING  
Attendance Record – May 21, 2021**

Supervisor Lisa Bartlett.....South Coast AQMD Board Member  
Board Member Kracov .....South Coast AQMD Board Member  
Mayor Pro Tem Carlos Rodriguez .....South Coast AQMD Board Member  
Mayor Pro Tem Larry McCallon .....South Coast AQMD Board Member

James Dinwiddie .....Board Consultant (Bartlett)  
Matt Holder .....Board Consultant (Rodriguez)  
Mark Taylor.....Board Consultant (Rutherford)

Mark Abramowitz .....Public Member  
Naveen Berry .....Public Member  
Harvey Eder.....Public Member  
Ranji George.....Public Member  
Jacob Goldberg.....POLA  
Ricki Lai .....Public Member  
Bri Lawrence .....Public Member  
Fred Minassian .....Public Member  
Erik Neandross .....Gladstein, Neandross & Associates  
Lacy Robertson.....Public Member  
Patty Senecal .....WSPA  
Tom Swenson .....Cummins Inc.

Derrick Alatorre .....South Coast AQMD Staff  
Jason Aspell.....South Coast AQMD Staff  
Ping Gui.....South Coast AQMD Staff  
Seungbum Ha .....South Coast AQMD Staff  
Sheri Hanizavareh .....South Coast AQMD Staff  
Mark Henninger .....South Coast AQMD Staff  
Joseph Impullitti.....South Coast AQMD Staff  
Aaron Katzenstein .....South Coast AQMD Staff  
Christina Kusnandar .....South Coast AQMD Staff  
Patricia Kwon .....South Coast AQMD Staff  
Jason Low .....South Coast AQMD Staff  
Krystle Martinez.....South Coast AQMD Staff  
Ron Moskowitz .....South Coast AQMD Staff  
Matt Miyasato.....South Coast AQMD Staff  
Penny Shaw Cedillo .....South Coast AQMD Staff

Walter Shen .....South Coast AQMD Staff  
Lisa Tanaka O'Malley .....South Coast AQMD Staff  
Yuh Jiun Tan .....South Coast AQMD Staff  
Anthony Tang .....South Coast AQMD Staff  
Veera Tyagi .....South Coast AQMD Staff  
Alex Vega .....South Coast AQMD Staff  
Nick Volpone .....South Coast AQMD Staff  
Todd Warden .....South Coast AQMD Staff  
Vicki White .....South Coast AQMD Staff  
Jill Whynot .....South Coast AQMD Staff  
Paul Wright .....South Coast AQMD Staff  
Fan Xu .....South Coast AQMD Staff  
Victor Yip .....South Coast AQMD Staff