

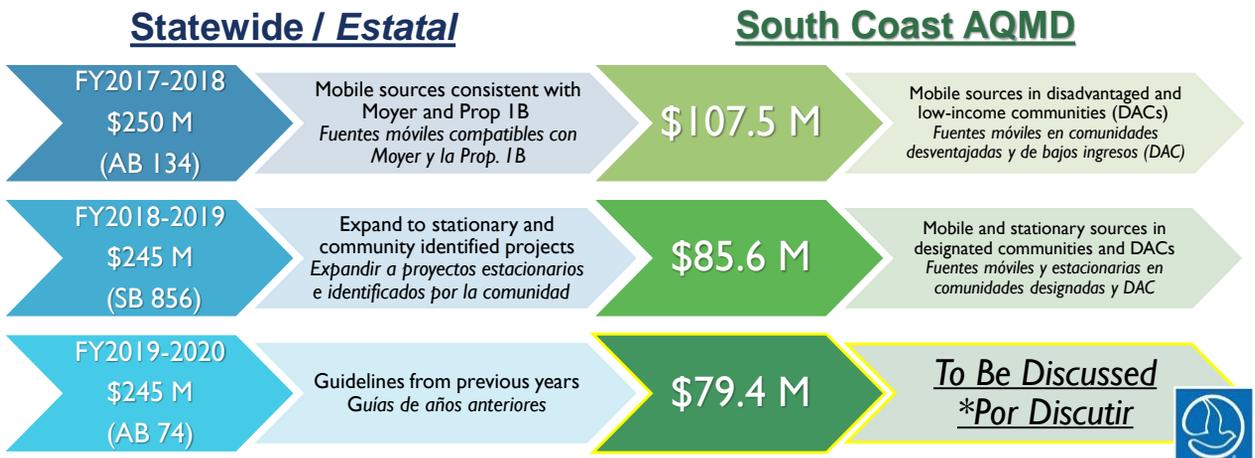
AB 617 Incentives Strategy

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CAPP INCENTIVE FUNDS FOR SOUTH COAST AQMD FONDOS DE INCENTIVOS DE CAPP PARA SOUTH COAST AQMD



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CAPP Incentives Grant (Year 3)

FY 2019-20 Funds	Amount
Total Grant Amount	\$79,431,606.99
Administrative Funds (6.25%)	\$4,964,475.44
Funds Available for Projects:	\$74,467,131.55
SB 535 Funding Target (72%)	\$53,616,334.72
AB 1550 Funding Target (80%)	\$59,573,705.24

- South Coast AQMD must submit an advance payment form with a proposed list of projects to CARB by 5/1/2021.
- These incentive funds must be fully expended by June 30, 2025.

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Guideline Requirements for Year 3 CAPP Incentives

- Carl Moyer Program 2017 Guidelines (April 27, 2017)
- Clean trucks meeting the criteria of Proposition 1B – Goods Movement Emission Reduction Program Guidelines (2015)
- Community Air Protection Incentives Guidelines (revised October 2020). Including the new Chapter 6 for stationary sources and community-identified projects
- Other incentive projects and programs included in an approved Community Emission Reduction Program (CERP)

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Grant Requirements (Cont'd)

- Zero emission projects whenever feasible, including charging/fueling infrastructure for medium and heavy-duty vehicles
- Emissions reductions in communities most impacted by cumulative pollution burden, with a focus on vehicles, equipment and infrastructure that operate in AB 617 communities selected by CARB or under consideration for future selection
- No less than 72% of the funds for projects in disadvantaged communities (72% for South Coast AQMD)
- No less than 80% of the funds for projects in AB 1550 communities
- Projects consistent with the priorities identified by the communities

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Summary of Community Input

- Public Consultation Meeting on 10/15/2020:

Summary of Top Priorities from Breakout Rooms

Emission Reductions Directly Benefitting the Community (with respect to community needs such as proximity to sensitive receptors)

Zero-Emission and Near-Zero Emission Projects

Affordability (Equitable) for Small Business Truck Owners (availability of local funds, prioritizing incentives for small companies, financial assistance)

Focus on Projects in Communities that Received Less Funding

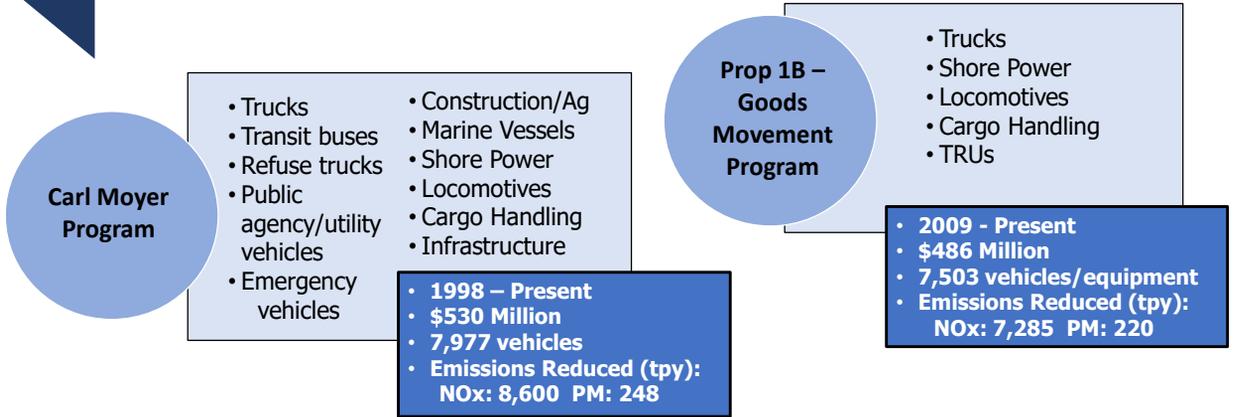
Funding for Other Community-Based Projects (off-road, air filtration, tree planting, solar tech)

Focus on Rural Projects (Agricultural projects near home and schools)

Focus on Air Toxics Projects

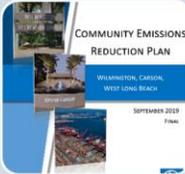
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Examples of Eligible Projects



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Examples of Eligible Projects – Cont'd

				
Hexavalent Chrome	Air Filtration Systems	Zero-emission lawn & garden for schools	Composite Wood	Community-identified projects
Stationary Source	Schools	Schools	Schools	

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Other Community-Identified Projects

- Must be consistent with strategies identified in the CERP
- Must follow 2019 Community Air Protection Incentives Guidelines
 - New Chapter 6 for stationary source and community-identified projects (approved October 2020)
- Submit a Project Plan containing all criteria outlined in Chapter 6 (project identification, community support, eligibility requirements, funding amounts, project selection criteria and reporting requirements)
- Air districts must receive approval of the Project Plan from CARB prior to implementation
- 60 days for review/approval

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Mobile Source Project Proposals Received (2020) – Within AB 617 Communities

Proposed Projects in AB 617 Communities	Project Costs (\$)	NO _x Reductions (tons/yr)	PM Reductions (tons/yr)
East Los Angeles, Boyle Heights, West Commerce (YR 1)	\$613,769	0.7	0.05
Wilmington, Carson, West Long Beach (YR 1)	\$18,517,774	66.6	1.60
San Bernardino, Muscoy (YR 1)	\$429,259	0.3	0.02
Eastern Coachella Valley (YR 2)	\$13,798,131	53.1	4.20
Southeast Los Angeles (YR 2)	\$4,403,576	2.7	0.13
Total	\$37,762,509	123.4	6.00

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Additional Mobile Source Project Proposals Received (2020) – not in AB 617 communities

Technology/Category	Project Costs(\$)	Within 5 Miles of AB 617 Community (\$)	Funding Requested by Small or Minority Business	NOx Reductions (tons/yr)	PM Reductions (tons/yr)
Zero Emission Projects:					
Vehicles/Equipment	\$9,948,860	\$531,266	None	19.1	0.83
Infrastructure	\$9,404,385	\$5,264,160	None	n/a	n/a
Near-Zero Emission Projects:					
Vehicles/Equipment	\$1,198,136	\$62,721	\$62,721	7.5	0
Infrastructure	\$10,597,874	\$3,249,836	None	n/a	n/a
Other projects within 5 miles of an AB 617 Community (in DAC/low-income)	\$3,837,943	\$3,837,943	\$2,333,944	38.3	2.46
Total	\$34,987,198	\$12,945,926	\$2,396,665	64.9	3.29

Note: All small and minority business projects evaluated are included in above categories.

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ELABHWC CERP Actions – Eligible Incentive Areas

AQ Priority	Incentive Related Components by Action
Truck Traffic and Freeways	<ul style="list-style-type: none"> Replace older trucks with cleaner models
Truck Traffic and Freeways	<ul style="list-style-type: none"> Replace older passenger vehicles with cleaner models Install chargers at homes and in the community
Railyards	<ul style="list-style-type: none"> Zero-emission infrastructure installation Replace diesel equipment with cleaner models
Metal Processing Facilities	<ul style="list-style-type: none"> Reduce emissions from metal processing facilities (e.g. install air pollution control equipment)
Schools, Childcare Centers, Etc.	<ul style="list-style-type: none"> School air filtration systems and/or replacement filters Library, childcare center and community center air filtration systems and/or replacement filters
Schools, Childcare Centers, Etc.	<ul style="list-style-type: none"> Home air filtration systems Home weatherization

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Next Steps

Working with CSCs:

- Obtain Board approval for Mobile source projects in AB 617 communities
- Identify additional projects for funding (e.g., zero emissions, small businesses, near communities)

For the remaining funds:

- Suggest equal distribution among the 5 communities with adopted CERPs to fund eligible projects
- These project types will require a Project Plan (within a timeframe):
 - Develop requirements for participation, project selection and funding amounts
 - Develop overall budget for each Project Plan
 - Submit Project Plan to CARB for approval

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Discussion

1. What do you think about funding the mobile source projects in the 5 communities (\$37 million)?
2. What do you think about funding the additional proposals received:

	All	Within 5 miles	Small Business
Zero-emission projects	a	b	(N/A)
Near-zero emission projects	c	d	e
Other projects in disadvantaged communities near AB617 communities	f	(N/A)	g

3. If we fund (1) and (2) , how do you propose the remaining funds be allocated (e.g. even split across 5 communities with adopted CERPs)?

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