



**PROPOSITION 1B:
Goods Movement Emission Reduction Program**

**Year 5 Funding Awards
September 24, 2015**

California Environmental Protection Agency
 **Air Resources Board**

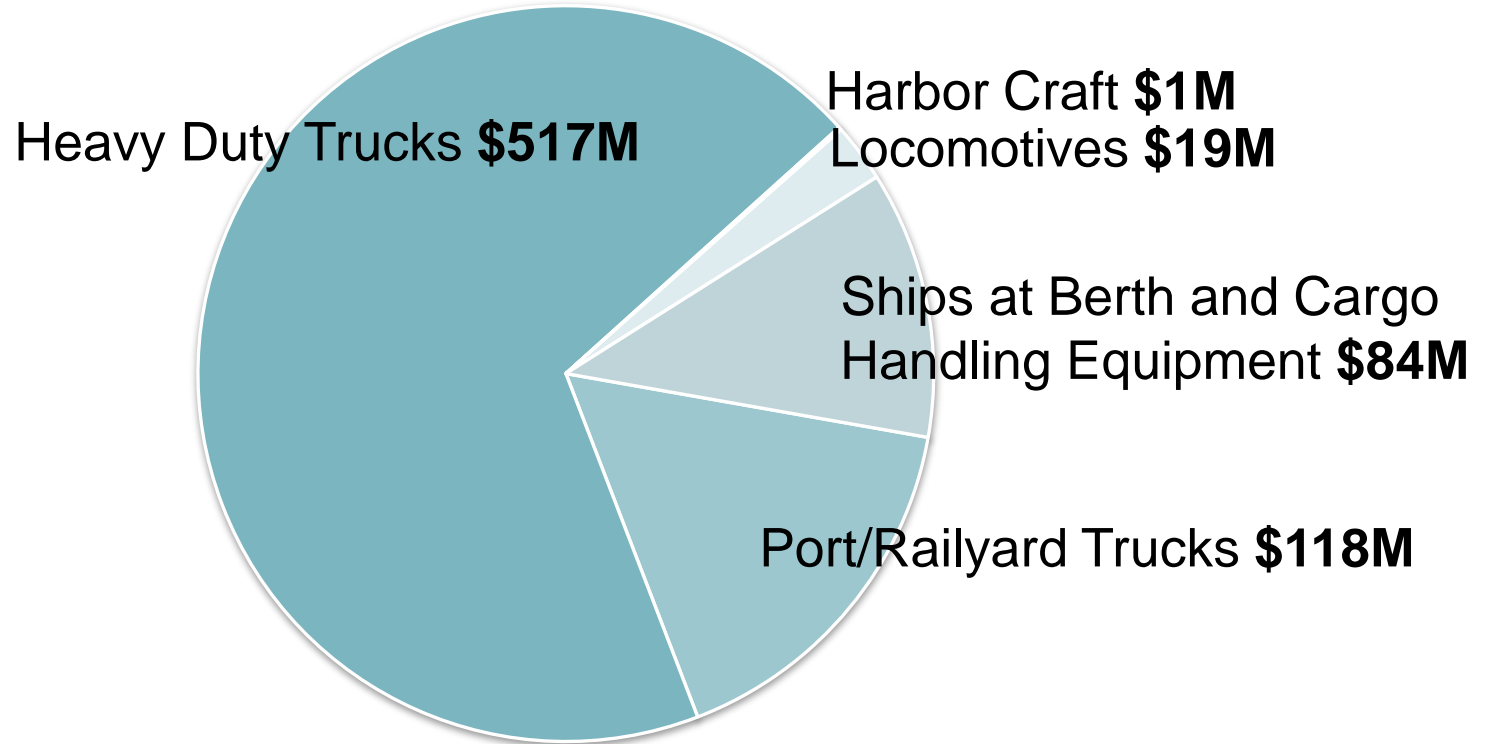
Prop 1B: Goods Movement Emission Reduction Program

- \$1 billion to reduce emissions/risk in heavily impacted communities
- Achieve early or extra reductions by upgrading or replacing diesel equipment used for freight transportation in four priority trade corridors
- Priority on diesel PM and NOx; with co-benefits for climate



Program Funding to Date*

Emission Reductions: 2,200 tons PM 2.5 + 75,000 tons NOx



*Includes funds for local agency and ARB's administration costs.

Funds to be Reallocated

- Total unspent funds: ~\$47 million
- Year 4 applications to reallocate unspent funds
- Executive Officer authority
 - Minor revision to Program Guidelines
 - Reversion of \$.7 million



MOVING FORWARD

Year 5 and Unspent Funds \$287 Million



Current Funding Priorities

- Zero and near-zero emission advanced technologies
- Small truck fleets
- Tier 4 locomotives

Applications for \$469M

Trade Corridor	Funds Requested
Los Angeles/Inland Empire	\$225M
Central Valley	\$182M
Bay Area	\$47M
San Diego/Border	\$15M
Total	\$469M

Basis for Recommendations

- Trade corridor funding targets
- Board priorities
- Local agency requests
- Local agency priorities
- Reallocation process for recaptured funds

Public Outreach

- Four public workshops in the trade corridors from August 25-28, 2015:
 - Diamond Bar
 - Fresno
 - Sacramento
 - San Diego
- Local agency community meetings

Trade Corridor Targets

Trade Corridor	Board Approved Corridor Target	Corridor Percent Prior to Staff Recommendations	Corridor Percent after Staff Recommendations
Los Angeles/ Inland Empire	55.0%	55.5%	55.0%
Central Valley	25.0%	25.2%	25.0%
Bay Area	14.0%	12.9%	14.0%
San Diego/ Border	6.0%	6.4%	6.0%

Recommendations by Category

Funding Category	# of Equipment	Total Funds
Trucks	~2,750	\$166M
Locomotives	~36	\$ 70M
Ships/Equipment	~62	\$ 20M
TRUs	~240	\$ 10M
Harbor Craft	~4	\$ 1M
Total	~3,090	\$267M

Los Angeles/Inland Empire Recommended Funds

Funding Category	Year 5 and Reverted Funds	Reallocated Funds	Total Recommended Funds
Trucks	\$ 79.0M	\$ 20.4M	\$ 99.4M
Locomotives	\$ 22.5M	-	\$ 22.5M
Ships/Equip.	\$ 14.5M	-	\$ 14.5M
TRUs	\$ 1.5M	-	\$ 1.5M
Total	\$117.5M	\$ 20.4M	\$137.9M

Central Valley Recommended Funds

Funding Category	Administering Local Agency (Air Districts)	Year 5 and Reverted Funds	Reallocated Funds	Total Recommended Funds
Trucks	San Joaquin	\$ 18.6M	\$ 5.9M	\$ 24.5M
	Sacramento	\$ 1.2M	\$ 1.9M	\$ 3.1M
Locomotives	San Joaquin	\$ 19.5M	-	\$ 19.5M
	Sacramento	\$ 10.0M	-	\$ 10.0M
TRUs	San Joaquin	\$ 5.0M	-	\$ 5.0M
	Sacramento	\$ 0.3M	-	\$ 0.3M
Total		\$54.6M	\$7.8M	\$62.4M

Bay Area

Recommended Funds

Funding Category	Year 5 and Reverted Funds	Reallocated Funds	Total Recommended Funds
Trucks	\$15.5M	\$9.6M	\$25.1M
Locomotives	\$15.0M	-	\$15.0M
Ships/Equip.	\$ 5.0M	-	\$ 5.0M
TRUs	\$ 3.0M	-	\$ 3.0M
Total	\$38.5M	\$9.6M	\$48.1M

San Diego/Border Recommended Funds

Funding Categories	Year 5 and Reverted Funds	Reallocated Funds	Total Recommended Funds
Trucks	\$5.6M	7.4M	\$13.0M
Locomotives	\$ 2.6M	-	\$ 2.6M
Ships/Equip.	\$ 0.7M	-	\$ 0.7M
TRUs	\$ 0.6M	-	\$ 0.6M
Harbor Craft	\$ 0.6M	-	\$ 0.6M
Total	\$10.1M	\$7.4M	\$17.5M

Recommendations and Benefits by Trade Corridor

Trade Corridor	Total Funds	Reductions (tons)	
		PM 2.5	NOx
LA/Inland Empire	\$137.9M	110	18,100
Central Valley	\$ 62.4M	135	6,700
Bay Area	\$ 48.1M	70	5,400
San Diego/Border	\$ 17.5M	15	2,300
Local Agency Total	\$265.9M	330	32,500
Multi-Corridor: Truck Filter Substrate Replacement	\$ 1.0M	-	-
ARB Administration Costs	\$ 20.0M	-	-
Program Total	\$286.9M	330	32,500

Update on a Multi-Corridor Truck Filter Substrate Replacement Program

- Up to \$6.3 million in Year 4 funding (previously approved)
- Additional \$1 million in Year 5 funding
- Administering agency: Sacramento Metropolitan Air Quality Management District
- Contractor for installations: ESW-Cleantech

Next Steps

**Early
Fall**

- Grant Agreement between ARB and local agencies
- Districts/ARB conduct outreach

**Early
Fall-
Winter**

- Equipment owners apply for funding

2016

- Contracts with equipment owner

**Dec.
2016**

- Operational deadline for small truck fleets

Staff Recommendations

- **Adopt Resolution 15-43**
 - Awards Year 5 and reverted funds
 - Reserves funds for ARB's administration costs over next decade
 - Directs Executive Officer to reallocate unspent funds
 - Makes minor revision to the Program Guidelines