

REMEDATION FUND ADMINISTRATOR APPLICATION

TTD/FAB-0XX (REV. 05/2022) PAGE 1 OF 9

Print clearly or type all information on this application.

1. Company Name/Air District/Organization Name/Individual Name: San Diego County Air Pollution Control District
2. Business Type: Air District
3. Contact Name and Title: Kathleen Keehan, Supervising Air Resources Specialist

4. Mailing and Contact Information:

Street: 10124 Old Grove Road	City/State/Zip Code: San Diego CA 92131
Telephone: (858) 586-2726	Fax: N/A
Email: Kathleen.Keehan@sdapcd.org	

Please include with your application a resolution from your agency's governing board authorizing participation in the remediation fund program.

Email Completed Applications to: shorepower@arb.ca.gov

Mail Completed Applications to: CHIEF, TRANSPORTATION AND TOXICS DIVISION,
CALIFORNIA AIR RESOURCES BOARD 1001 I STREET SACRAMENTO, CA 95814

REMEDIATION FUND ADMINISTRATOR APPLICATION

TTD/FAB-0XX (REV. 05/2022) PAGE 2 OF 9

Answer all questions in the **application** below as completely as possible. CARB may request additional information in order to clarify responses provided on this **application**.

1. Describe any experience implementing incentive programs for heavy-duty diesel vehicles and off-road equipment, with a focus on the Carl Moyer Program; the Proposition 1B Program; the Community Air Protection Incentives; or similar programs for mobile and/or stationary sources of air pollution.

San Diego County Air Pollution Control District (SDAPCD) has successfully implemented incentive programs for heavy-duty diesel vehicles and off-road equipment for over 20 years. Since 1999 the District has expended over \$157 million in funding to administer incentive programs, including the Carl Moyer Program, the Proposition 1B Program, and the Community Air Protection program, among many others. SDAPCD has provided funding to replace or repower many categories of diesel equipment, including marine vessels, on-road trucks, cargo handling equipment, off-road construction and agricultural equipment, school buses, and others. SDAPCD also provides funding for infrastructure to facilitate the transition to cleaner technologies, including shore power at the Port of San Diego and electric vehicle charging stations. The District also partners with other agencies and organizations to administer programs such as the CALeVIP program for electric vehicle charging and our Portside Air Quality Improvement and Relief (PAIR) program to provide air quality monitors and air purifiers to residents of the Portside Environmental Justice Community.

Our staff of five Air Resources Specialists and Air Quality Specialists carry out all aspects of program administration, including outreach for new projects, application creation and evaluation, inspections, contracting, tracking, and project closeout. They are supported by administrative staff that handle contracting, invoicing, payment, and reporting for each program, and a management team that sets program priorities and oversees program implementation.

REMEDATION FUND ADMINISTRATOR APPLICATION

TTD/FAB-0XX (REV. 05/2022) PAGE 3 OF 9

2. Describe any technical knowledge of engines, vehicles, equipment, and/or stationary air pollution sources that would be eligible for incentives.

SDAPCD staff is very knowledgeable regarding technical specifications for engines, vehicles, equipment, and stationary sources of air pollution. Our incentive programs require deep knowledge of both older equipment and new technologies. Program staff regularly identify equipment, determine engine tier, engine family, horsepower, and usage. SDAPCD also works closely with the local equipment dealership network and manufacturers for technical support on old and new equipment.

Staff is very familiar with air quality regulations and evaluates equipment and fleets to determine eligibility for incentive funding. SDAPCD compliance staff currently works with CARB under a MOU to conduct inspections of mobile equipment and take necessary actions to resolve violations of the appropriate regulations.

SDAPCD also works with new and emerging technologies, funding the first in the US electric tugboat project and working to implement an e-truck incentive program as outlined in the Portside Community Emissions Reduction Plan (CERP).

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REMEDATION FUND ADMINISTRATOR APPLICATION

TTD/FAB-0XX (REV. 05/2022) PAGE 4 OF 9

3. Describe the remediation activity types and applicable CARB incentive program guidelines the fund administrator will use to recruit, evaluate, select, fund, and track incentive activities.

SDAPCD intends to use any funding available through the remediation fund to supplement existing Moyer and Community Air Protection Program funding to replace or repower polluting equipment in communities near San Diego Bay. SDAPCD intends to use existing mechanisms in place to recruit, evaluate, select, fund, and track incentive activities, including reporting these projects in the statewide CARL database. If the SDAPCD's application to be a Remediation Fund Administrator is successful, reasonable additional project tracking and financial processes could be instituted if necessary to adequately track and report project selection, emission reductions, and fiscal activity associated with this funding.

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REMEDATION FUND ADMINISTRATOR APPLICATION

TTD/FAB-0XX (REV. 05/2022) PAGE 5 OF 9

4. Demonstrate any capacity to administer the fund, including: personnel resources; operating budgets; accounting and legal support; activity tracking, emission reduction quantification, reporting mechanisms, and outreach experience.

SDAPCD currently administers several incentive programs for replacing or repowering heavy duty diesel equipment, including the Carl Moyer Program, the Proposition 1B Goods Movement Emission Reduction Program, the Community Air Protection Program, the FARMER program, and others. These programs are administered by a team of employees at the District who follow all the requirements of these programs, as evidenced in the CARB audit of the programs conducted in 2020 and 2021 (<https://ww2.arb.ca.gov/sites/default/files/2021-07/SDAPCD%20Incentive%20Program%20Review%202020-2021%20Final%20Report.pdf>).

SDAPCD's current operating budget is available on the District website (<https://www.sdapcd.org/content/sdapcd/about/budget.html>) and outlines the available resources for administering this fund.

The District's accounting teams and legal counsel have deep experience handling incentive programs, as SDAPCD continues to administer millions of dollars in incentive funding annually.

SDAPCD uses the CARL database along with our Business Case Management System (BCMS) which is specifically designed to track project activity, emission reductions, and fiscal reporting.

To publicize the incentive programs and provide information to the community, SDAPCD staff participate in outreach events, media opportunities, community meetings, expos, and other public events. The District hosts meetings of the Community Steering Committees for two environmental justice communities - Portside and International Border. Incentive opportunities are posted on social media (in English and Spanish), the District website (available in multiple languages through Google Translate), and through an email interest list. The District also works closely with interest groups such as the Farm Bureau, local Chambers of Commerce, equipment dealerships and maintenance contractors, and local advocates to disseminate information about incentive programs.

REMEDATION FUND ADMINISTRATOR APPLICATION

TTD/FAB-0XX (REV. 05/2022) PAGE 6 OF 9

5. Describe any ability to establish a separate account, and track deposits and payments, solely for the remediation fund.

Upon acceptance of SDAPCD application for Remediation Fund Administrator, SDAPCD staff will seek Governing Board approval to establish and initiate a new separate Special Revenue Fund to start receiving funds, tracking, and monitoring deposits and payments solely for the remediation fund.

This separate Special Revenue Fund will also enable the District to earn interest solely for this fund and ensure that interests earned for funds on account is properly directed to the administration of that program. The matter which would facilitate accurate reporting on funds received and expenditures made for projects as well as District's administrative costs and fiscal activities.

DRAFT

REMEDATION FUND ADMINISTRATOR APPLICATION

TTD/FAB-0XX (REV. 05/2022) PAGE 7 OF 9

6. Provide a proposed timeline for recruiting and funding incentive activities, and for those activities becoming operational to reduce emissions, once remediation funds are deposited into the applicant's separate account. For efficiency, these milestones may be aligned with existing solicitations, obligation, and liquidation deadlines for other incentive programs.

SDAPCD anticipates following the outreach, solicitation, obligation, and liquidation timelines as our yearly Moyer funding, with potential additional flexibility on contracting and liquidation deadlines to accommodate program stacking and coordination.

DRAFT

REMEDATION FUND ADMINISTRATOR APPLICATION

TTD/FAB-0XX (REV. 05/2022) PAGE 8 OF 9

7. Describe any other incentive or funding programs with which any remediation funds may be combined. In funding remediation activities, remediation funds may only be combined with funds from other incentive programs to the extent that the emissions reductions caused by the remediation fund are capable of being calculated and attributed to the remediation fund. If funds would be combined in this manner, the application shall demonstrate that the emissions reductions resulting from the remediation fund can properly be attributed to, and claimed by, the remediation fund.

SDAPCD intends to use the remediation funding in conjunction with Moyer, Community Air Protection Program, or future state funding. In each case SDAPCD would follow CARB guidelines regarding calculating emission reductions and attributing them to the different programs, typically conducting a calculation of funding percentage and attributing emission reductions on a proportional basis for each project.

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REMEDATION FUND ADMINISTRATOR APPLICATION

CERTIFICATION

I certify to the best of my knowledge that the information contained in this **application** is true and complete. I further certify that I am authorized to complete and sign this form on behalf of the proposing organization.

Name: Michael Watt	Title: Deputy Director
Signature: Michael Watt <small>Digitally signed by Michael Watt Date: 2022.09.27 14:59:22 -07'00'</small>	Telephone Number: 858-899-0136
Email: michael.watt@sdapcd.org	Date: 09/27/2022

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