# California Air Resources Board

Notice of Public Meeting to Consider Approval of the Proposed Fiscal Year 2021-22 Funding Plan for Clean Transportation Incentives Accompanied by Proposed Carl Moyer Program Changes, Agricultural Burning Incentives for Combustion Equipment, and the Climate Heat Impact Response Program

The California Air Resources Board (CARB or Board) will conduct a public meeting at the date and time noted below to consider the approval of the Proposed Fiscal Year 2021-22 Funding Plan for Clean Transportation Incentives (Funding Plan), accompanied by proposed Carl Moyer Program changes, agricultural burning incentives for combustion equipment and the Climate Heat Impact Response Program (CHIRP).

Date: November 19, 2021

Time: 9:00 A.M.

Please consult the public agenda, which will be posted ten days before the November 19, 2021, Board Meeting, for important details, including, but not limited to, the order in which this item will be considered and any appropriate direction regarding a remote-only Board Meeting. If the meeting is to be held in person – in addition to remote access – it will be held at the California Air Resources Board, Haagen-Smit Auditorium, 4001 Iowa Avenue, Riverside, California 92507.

### Background

To achieve California's numerous climate change, air quality, zero-emission vehicle (ZEV) deployment, and petroleum reduction goals, CARB has adopted an aggressive, multi-pronged strategy that uses incentives to complement regulatory approaches. Annually, the State appropriates funding to a portfolio of incentive programs, and each program plays a unique role to improve air quality, enhance community protection, and reduce greenhouse gas emissions. These incentive programs are designed to support the transition to a low-carbon economy across multiple sectors, including investments in the transportation sector administered through the Funding Plan for Clean Transportation Incentives.

Developed annually, the Funding Plan for Clean Transportation Incentives has traditionally funded multiple technologies at different points on their commercialization arcs, overcoming deployment barriers, reducing production costs, promoting consumer acceptance, and accelerating technology transfer to other

sectors. These programs are designed to achieve both immediate emission reductions and, equally important, support the transformation of California's vehicle and equipment fleet to one that is zero-emitting where feasible, as is increasingly often the case, and as clean as possible where zero-emissions are not yet feasible. In designing these investments, CARB strives to maximize the benefits for disadvantaged communities, low-income communities, and low-income households.

The proposed Fiscal Year (FY) 2021-22 Funding Plan covers a total of \$1.5 billion in clean transportation investments from related funding sources appropriated to CARB in the budget bill passed by the Legislature and signed by the Governor:

- \$838 million from the State General Fund appropriated to CARB in the Budget Act of 2021 as amended by Senate Bill (SB) 129 (Skinner, Chapter 69, Statutes of 2021).
- \$595 million for Low Carbon Transportation Investments funded with Cap-and-Trade Auction Proceeds appropriated to CARB in the Budget Act of 2021 as amended by SB 129 and SB 170 (Skinner, Statutes of 2021).
- \$86.45 million from the Air Pollution Control Fund appropriated to CARB in the Budget Act of 2021 as amended by SB 129.
- \$28.64 million for the Air Quality Improvement Program, appropriated to CARB in the Budget Act of 2021.

These investments represent the first installment of a multi-year ZEV package that is expected to provide a total of \$3.9 billion over the next three fiscal years to build on the investments in ZEVs and ZEV infrastructure the State has made over the past decade. The proposed investments are designed to accelerate an equitable ZEV transition, in both the light-duty and heavy-duty transportation sectors.

Additionally, the Legislature appropriated funding to CARB in the Budget Act of 2021 as amended by SB 129 for two complementary programs to improve air quality:

- \$45 million from the State General Fund to air districts in severe or extreme nonattainment areas to support the replacement of diesel trucks with trucks certified to meet the 0.02 gram per brake horsepower-hour (g/bhp-hr) nitrogen oxides (NOx) standard or lower through the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program). Currently, only the South Coast Air Quality Management Air District and the San Joaquin Valley Air Pollution Control District would be eligible for these funds.
- \$180 million from the State General Fund to support incentives for alternatives to agricultural burning in the San Joaquin Valley.

Furthermore, on July 30, 2021, Governor Newsom signed a Proclamation of a State of Emergency (Proclamation) to expedite clean energy projects and relieve demand on the electrical grid during extreme weather events. The Proclamation further directs CARB to develop a plan to mitigate the effects of additional emissions caused by the use of back-up generators and other emission sources operating as a result of the

Proclamation. Staff proposes to structure the CHIRP program to mitigate emissions using the guiding principles below:

- Highlight mitigation of emergency-linked emissions and prevention of future energy emergencies in order to avoid future emergency-linked emissions.
- Engage closely with affected communities in developing and implementing the program, focusing primarily on priority communities impacted by the increased emissions and secondarily on priority communities where blackouts occur (if different), as well as reducing risk to sensitive populations.
- Provide the kinds of projects that can be funded efficiently through CARB's
  funding programs and that are complementary to, and not duplicative of, other
  existing local, State, or Federal programs. This will require collaboration with
  utilities and other state and local agencies, including California Energy
  Commission, California Public Utilities Commission and the California
  Department of Community Services and Development.

CARB staff will present proposals for implementing these related funding programs at the Board meeting. The following sections provide additional details on the Funding Plan and accompanying proposals.

#### Proposed FY 2021-22 Funding Plan for Clean Transportation Incentives

The Funding Plan describes CARB's policy drivers and vision for advanced technology mobile source investments, project funding allocations, proposed revisions to project criteria and other implementation details, as well as justification for these investments. Additionally, this year's plan includes enhanced metrics and evaluation methodologies to address recommendations made by the California State Auditor. The plan also includes updates to the SB 1275 (De León, Chapter 530, Statutes of 2014) Three-Year Plan for CVRP and the ZEV Market, and the SB 1403 (Lara, Chapter 370, Statutes of 2018) Long-Term Heavy-Duty Investment Strategy and State School Bus Incentive Program Report.

Staff's proposal is to continue to focus these incentives on accelerating the development and deployment of the cleanest feasible mobile source technologies and improving access to clean transportation. Since their inception, these investments have supported the emission reduction goals identified in the Climate Change Scoping Plan, State Implementation Plans, and California Sustainable Freight Action Plan. The projects within Clean Transportation Incentives are designed to support the State's public health, air quality, and climate change goals, and, as emphasized in Governor Newsom's Executive Order N-79-20, to support the transformation of California's vehicle and equipment fleet to one that is zero emitting where feasible. In designing these investments, CARB strives to maximize the benefits for priority populations, and these investments include targeted support to the communities most impacted by poor air quality and climate change.

In most cases, these projects continue to build on investments from previous budget cycles that were envisioned as multi-year investments, while taking steps to shift from

broad purchase incentives to more targeted strategies that support lower-income consumers and small fleets facing the greatest barriers to clean transportation. CARB anticipates this shift will continue to gather speed in the coming years. Staff developed the proposed project allocations through a public process, considering legislative direction and feedback from stakeholders and communities, and by evaluating anticipated demand and technology readiness, and reviewing the long-term planning elements of previous funding plans. The investments included in the proposed Funding Plan fall into the following categories specified by the Legislature:

- \$525 million for consumer rebates for new ZEV purchases through the Clean Vehicle Rebate Project, or CVRP. These funds represent a substantial investment, intended to last for three years, to address the recent increase in consumer demand since the January Budget proposal. Along with rebates for vehicles, \$10 million is intended to support rebates for electric bicycles in line with legislative direction.
- \$150 million for clean transportation equity investments to increase access to clean transportation and mobility options benefiting low-income and disadvantaged communities and low-income households consistent with the direction provided by SB 1275 and SB 350. This covers vehicle purchase incentives, clean mobility investments, outreach, community transportation needs assessments, technical assistance and capacity building, Access Clean California and workforce training and career development.
- \$873 million for heavy-duty and off-road equipment investments following the principles of the portfolio approach. This means that CARB provides funding across multiple technologies at different points on their commercialization arcs to support those that are providing emission reductions today, as well as those that need to mature to meet future goals. This includes funding for demonstration and pilot projects, vouchers for advanced clean technologies, and financing and support for small fleets transitioning to cleaner technologies. Additionally, this year funds will be set aside for drayage trucks, transit buses, and school buses, all of which are primed to rapidly transition to zero-emission.

The full details of the proposed investments will be included in the Funding Plan which will be released for public comment by October 8, 2021.

#### **Proposed Carl Moyer Program Changes**

Staff is taking this opportunity to propose limited changes to the Carl Moyer Program, including in support of the Legislature's allocation of \$45 million to fund on-road trucks through the Carl Moyer Program, as well as broader changes on cost-effectiveness thresholds. The Carl Moyer Program is a statewide, locally-directed program that replaces older, high-polluting engines with cleaner alternatives. Emission reductions funded through the Carl Moyer Program must be in support of the State Implementation Plan (SIP) by being permanent, surplus, quantifiable, and enforceable. Health and Safety Code (HSC) 44283 requires all eligible Carl Moyer Program projects

(except infrastructure) be cost-effective, meaning that the amount of money a project is eligible to receive is limited by the emission reductions it provides.

SB 129: \$45 Million for Local Air Districts in Severe or Extreme Nonattainment Areas SB 129, known as "The Budget Act of 2021," made appropriations for the support of state government for the 2021-2022 fiscal year. Section 116 of The Budget Act of 2021 directs \$45 million to local air districts in severe or extreme nonattainment. The \$45 million is to be used in the Carl Moyer Program, to purchase eligible non-diesel medium- and heavy-duty vehicles emitting no more than 0.02 g/bhp-hr of NOx, as certified by CARB, that replace diesel vehicles. Projects must be under contract by the end of the 2022–2023 fiscal year, after which remaining monies are to be used for the purchase of eligible zero-emission medium- and heavy-duty vehicles that replace diesel vehicles. The funds shall be available for encumbrance or expenditure until June 30, 2024. The Budget Act of 2021 additionally stipulates that the projects must make use of existing re-fueling infrastructure and self-certify that no new infrastructure will be needed to support their use.

SB 129 makes funding available to air districts designated as severe non-attainment or extreme non-attainment. At this time, the only air districts that meet these criteria are the South Coast Air Quality Management District (South Coast AQMD) and the San Joaquin Valley Air Pollution Control District (San Joaquin Valley APCD). Because the funding is explicitly identified as intended to address the issue of diesel trucks, staff proposes to allocate the funds proportionally to these two air districts, based on the population of existing medium- and heavy-duty trucks and buses registered within the respective air districts. To determine the proposed allocations, staff used 2019 data from the Department of Motor Vehicles. Table 1 below illustrates relative truck populations, and the proposed allocation.

Table 1: Proposed Allocation of SB 129 Funds for On-Road Trucks

Air District	MHD and HHD Truck Population	Percentage	Proposed Allocation
South Coast AQMD	159,600	71%	\$32,100,000
San Joaquin Valley APCD	64,300	29%	\$12,900,000
Total	223,900	100%	\$45,000,000

#### Cost of Emission Control Technology of On-Road Projects

Staff are proposing to adjust cost-effectiveness thresholds to ensure the program continues to focus on developing the most advanced zero-emission and low emission technologies, consistent with encouraging further emissions reductions. Currently, onroad projects that fund engines meeting the 0.02 g/bhp-hr NOx standard have demonstrated higher incremental costs above that of engines meeting the 0.20 g/bhp-hr NOx standard as demonstrated by studies found for the Heavy-Duty Engine and Vehicle Omnibus Regulation

(https://ww2.arb.ca.gov/rulemaking/2020/hdomnibuslownox). In general, staff also found substantially higher incremental costs for zero-emission vehicles and equipment in various applications and source categories due to lower volumes. To determine the impact of the cost of advanced technology on cost-effectiveness for on-road vehicles, staff examined the incremental cost of technology, the amounts offered for on-road projects, and the emissions reduced for heavy heavy-duty (HHD), medium heavy-duty (MHD), and light heavy-duty (LHD) vehicles.

A representative scenario of a near-term advanced technology project is the replacement of a 0.20 g/bhp-hr NOx standard (2010 emission standard) heavy-duty (HD) truck in 2022 with an advanced technology vehicle. In this example, staff assumed an average usage of 50,000 miles per year based on actual reported HD truck projects and CARB's EMission FACtor model (EMFAC) data, with a typical project life of seven years. Under the current Optional Advanced Technology cost-effectiveness limit within the Carl Moyer Program, the typical funding amount is constrained and could not cover the incremental cost of advanced technology or reach current maximum funding amounts. Table 2 illustrates the estimated incremental costs and the proposed increase in cost-effectiveness and maximum funding amounts that will ensure that those incremental costs can be covered by the program.

Table 2: Heavy-Duty On-Road Advanced Technology Project Cost-Effectiveness

Eligible Baseline Vehicle	Incremental Cost	Replacement Engine (g/bhp-hr)	Proposed Cost- Effectiveness Limit (\$/ton)	Proposed Maximum Funding Amount
2010 emission				
standard truck	\$160,000 (HHD)			\$160,000 (HHD)
(0.20 g/bhp-hr	\$120,000 (MHD)			\$120,000 (MHD)
NOx standard)	\$70,000 (LHD)	0.02	\$200,000	\$70,000 (LHD)
2010 emission				
standard truck	\$410,000 (HHD)			\$410,000 (HHD)
(0.20 g/bhp-hr	\$180,000 (MHD)			\$180,000 (MHD)
NOx standard)	\$170,000 (LHD)	Zero	\$500,000	\$170,000 (LHD)

Table 3 summarizes all the current and proposed cost-effectiveness limits for the Carl Moyer Program.

**Table 3: Current and Proposed Cost-Effectiveness Limits** 

Cost-Effectiveness (CE) Limit Types	Current CE Limits (\$/ton)	Proposed CE Limits (\$/ton)
Base Limit	\$30,000	\$33,000*
Optional Advanced Technology Limit	\$100,000	\$109,000*
On-Road Optional Advanced Technology Limit – 0.02 g/bhp-hr or cleaner	\$100,000	\$200,000
On-Road Optional Zero-Emission Limit**	\$100,000	\$500,000
School Bus (combustion)	\$276,230	\$300,000*

<sup>\*</sup>Adjusted for inflation only

If the Board approves the staff's proposal, the application of the higher limit would be subject to air district discretion. The air districts would retain the flexibility to apply a more stringent limit than the Carl Moyer Program Guidelines and would also retain their ability to direct their normal Carl Moyer funding to the categories that serve their local priorities.

Staff's proposed modifications to the Carl Moyer Program Guidelines are available on CARB's website in strikeout and underline at (<a href="https://ww2.arb.ca.gov/guidelines-carl-moyer">https://ww2.arb.ca.gov/guidelines-carl-moyer</a>). The proposed modifications are available for a 45-day public comment period beginning **September 24**, **2021 and closing November 8**, **2021**. Please direct all relevant comments to the public comment docket at <a href="http://www.arb.ca.gov/lispub/comm/bclist.php">http://www.arb.ca.gov/lispub/comm/bclist.php</a>. Please see below in the Notice for information on how/when to submit comments on other programs mentioned in this Notice.

Stakeholders have suggested other potential changes to the Carl Moyer Program outside the immediate scope of this proposal. Staff will continue to work with stakeholders to consider how the program might be improved, and will discuss other potential on-road specific changes in a public workshop to be held on a date to be determined after the Board meeting on November 19, 2021.

### Proposed Agricultural Burning Incentives for Combustion Equipment

SB 705 (Florez, Chapter 481, Statutes of 2003) called for the phase-out of open agricultural burning in the San Joaquin Valley (Valley) by 2010 but allowed the San Joaquin Valley APCD to postpone burn prohibitions for some crop categories based on three criteria and CARB concurrence. At its February 25, 2021, Board Meeting, the CARB Board provided a short-term concurrence for limited open agricultural burning until August 31, 2021, and directed the CARB Executive Officer to concur for an

<sup>\*\*</sup>Includes zero-emission school buses

additional period beyond the first six-month concurrence period if the San Joaquin Valley APCD provided for a near-complete phase-out of agricultural burning by the end of 2024. On June 17, 2021, the San Joaquin Valley APCD approved a schedule for a near-complete phase-out of agricultural burning by the end of 2024, and the CARB Executive Officer provided the additional CARB concurrence through January 1, 2025. By implementing these actions, both CARB and the San Joaquin Valley APCD recognize that near-term incentives encouraging alternatives to agricultural burning are critical to effectively phasing out open agricultural burning in the Valley.

The Budget Act of 2021 appropriated \$180 million to be granted from CARB to the San Joaquin Valley APCD to support incentives for alternatives to agricultural burning in the Valley pursuant to the phase out adopted by both the CARB and San Joaquin Valley APCD Boards. The Budget Act specified that funds may be expended only for non-combustion incentives, including, but not limited to, chipping, mulching, soil reincorporation, and composting, unless the CARB Board makes a finding in a public hearing, based on clear and convincing evidence, that such non-combustion alternatives are not available. CARB heard from stakeholders throughout the public process that, even before the adoption of the schedule to phase out burning, there has been an insufficient supply of equipment in the Valley to meet the demand for alternative services, and not all Valley growers who would wish to use them have access. This phase-out will further constrain access to those alternative services, particularly for smaller agricultural operations. Even with expanded fleets operating in the Valley, high demand for alternative services due to the rapid phase-out of agricultural burning means access to these services would still be limited. In addition, there are technological feasibility issues for some vineyard crops that cannot be chipped without specialty chipping equipment, which is also in short supply and not easily accessible to all Valley growers. Therefore, CARB staff believes there is clear and convincing evidence that non-combustion alternatives are not available in the numbers needed to meet increasing demand as the practice of agricultural burning phases out rapidly over the next three and a half years, and combustion alternatives would help ensure open agricultural burning is successfully phased out in the Valley by January 1, 2025.

#### Proposed Climate, Heat Impact Response Program (CHIRP)

On July 30, 2021, Governor Newsom signed a Proclamation of a State of Emergency (Proclamation) to expedite clean energy projects and relieve demand on the electrical grid during extreme weather events. The Proclamation suspends certain permitting requirements to allow greater energy production during critical times when extreme heat events or the interruption of transmission lines from wildfires or other causes threaten energy supply. It further creates incentives so that large energy users can move to back-up power generation, freeing up energy capacity on the grid. The Proclamation also requires CARB to develop a plan to mitigate impacts from the associated additional emissions and commits state agencies to tracking emissions from any emergency measures resulting in additional emissions.

The Proclamation also identifies roles for California ISO (CAISO), the California Energy Commission (CEC), California Public Utility Commission (CPUC), and the local air districts, with whom staff has been coordinating. Staff will also continue to consult with affected communities throughout the development and implementation of the program. Staff held a public meeting on September 16, 2021 to gather initial feedback on the proposal.

Staff has established reporting mechanisms in coordination with CEC, CPUC, and local air districts. The data reported was used to determine an estimate of emissions based on what utilities intended to deploy, the facilities that were brought online, and other measures that were deployed during extreme heat events that occurred this year through October 31, 2021.

In alignment with the Proclamation, staff proposes mitigating emissions from back-up generators, ships at berth relying on their auxiliary engines in lieu of shore power, powerplants operating beyond permitted conditions, mobile generators/mobile turbines being brought online, and other measures deployed during an extreme weather event. Initially, staff proposes mitigation funds to be spent on project categories in existing CARB incentive programs, including Low Carbon Transportation, Air Quality Improvement Program, Carl Moyer Program, Community Air Protection Program, and Funding Agricultural Replacement Measures for Emission Reductions. These CARB programs allow for a wide variety of project categories, ranging from deployments of light-duty and heavy-duty vehicles and infrastructure to supporting grid resiliency efforts and will facilitate rapid implementation, while providing local community emissions benefits. Staff anticipates continued review and development of potential project categories.

Funding would be prioritized first to communities directly affected by the deployment from the measures listed above – identified by zip code during the reporting period; then surrounding priority populations using zip code and the most current version of CalEnviroScreen; and then finally to priority populations within the region as identified by the most current version of CalEnviroScreen.

Staff proposes that projects be selected with community input. Staff also proposes for the Board to delegate authority to the Executive Officer to modify and add project categories based on community requests and input from a public meeting. These modifications and additions would be developed through a public process that includes collaboration with communities directly impacted by the deployment of the measures listed above.

## **Proposed Action**

CARB staff will present the Proposed FY 2021-22 Funding Plan accompanied by the proposed Carl Moyer Program changes, proposed agricultural burning incentives for combustion equipment, and CHIRP at the meeting. Each report may be found at the following locations:

- The Funding Plan may be obtained from CARB's website at <a href="http://www.arb.ca.gov/agip/">http://www.arb.ca.gov/agip/</a>, by October 8, 2021.
- Modifications to the Carl Moyer Program Guidelines may be obtained from CARB's website at <a href="https://ww2.arb.ca.gov/guidelines-carl-moyer">https://ww2.arb.ca.gov/guidelines-carl-moyer</a>, by September 24, 2021.
- The staff report on the proposed agricultural burning incentives for combustion equipment may be obtained from CARB's website at <a href="https://ww2.arb.ca.gov/our-work/programs/agricultural-burning">https://ww2.arb.ca.gov/our-work/programs/agricultural-burning</a>, by October 8, 2021.
- Additional information about CHIRP may be obtained from CARB's website at <a href="https://ww2.arb.ca.gov/our-work/programs/climate-heat-impact-response-program-chirp">https://ww2.arb.ca.gov/our-work/programs/climate-heat-impact-response-program-chirp</a>

Please contact Chris Hopkins, Regulations Coordinator, at chris.hopkins@arb.ca.gov or (916) 445-9564 if you need physical copies of the documents.

Interested members of the public may present comments orally or in writing regarding any/all of the above mentioned programs during the meeting and may provide comments by postal mail or by electronic submittal before the meeting. To be considered by the Board, written comments not submitted during the meeting, must be received <u>no later than November 8, 2021</u>, and addressed to the following:

Postal mail: Clerks' Office, California Air Resources Board 1001 I Street, Sacramento, California 95814

Electronic submittal: http://www.arb.ca.gov/lispub/comm/bclist.php

Please note that under the California Public Records Act (Government Code section 6250 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

Further inquiries regarding this matter should be directed to Andrea Morgan, Air Resources Engineer, at (916) 323-6169 or (designated back-up contact) Graciela Garcia, Air Pollution Specialist, at (916) 323-2781.

### **Environmental Analysis**

CARB has determined that the proposed FY 2021-22 Funding Plan, Carl Moyer Program changes, Agricultural Burning Incentives for Combustion Equipment and CHIRP are not projects subject to, or are otherwise exempt from, the requirements of the California Environmental Quality Act (CEQA). CARB's certified regulatory program, which applies to the adoption, approval, amendment, or repeal of standards, rules, regulations, or plans for the protection and enhancement of the State's ambient air quality, has been certified by the California Secretary for Natural Resources under California Public Resources Code (Pub. Resources Code) section 21080.5 of CEQA (California Code of

Regulations (Cal. Code Regs.), tit. 14, § 15251, subd. (d)). Public agencies with certified regulatory programs are exempt from certain CEQA requirements, including but not limited to, preparing environmental impact reports, negative declarations, and initial studies. For activities that constitute project approvals, as those terms are used in CEQA, CARB, as a lead agency, prepares a substitute environmental document (referred to as an "Environmental Analysis" or "EA") as part of the Staff Report prepared for a proposed action to comply with CEQA (Cal. Code Regs., tit. 17, §§ 60000-60008).

CEQA only applies to "discretionary projects proposed to be carried out or approved by public agencies...." (PRC § 21080, subd. (a).) CARB, as the lead agency under CEQA, has reviewed the proposed FY 2021-22 Funding Plan, Carl Moyer Program changes, Agricultural Burning Incentives for Combustion Equipment, and CHIRP and concluded that they are not projects under title 14 Cal. Code Regs section 15378, subdivision (b)(4) and thus is not subject to CEQA. Title 14 Cal. Code Regs section 15378, subdivision (b)(4) provides that "the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment" are not CEQA projects. As explained in more detail above, the proposed FY 2021-22 Funding Plan, Carl Moyer Program changes, Agricultural Burning Incentives for Combustion Equipment, and CHIRP are governmental fiscal activities that do not involve any commitment to any specific projects that may result in potentially significant physical impacts on the environment. Therefore, the proposed FY 2021-22 Funding Plan, Carl Moyer Program changes, Agricultural Burning Incentives for Combustion Equipment and CHIRP are not subject to CEQA review.

Even if the FY 2021-22 Funding Plan, Carl Moyer Program changes, Agricultural Burning Incentives for Combustion Equipment, and CHIRP were projects under CEQA, they would be categorically exempt from CEQA under the common sense exemption, (Cal. Code Regs., tit. 14, § 15061, subd. (b)(3)), and the "Class 8" exemption, (Cal. Code Regs., tit. 14, § 15308), for the protection of the environment. CEQA Guidelines state "the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." (Cal. Code Regs., tit. 14, § 15601, subd. (b)(3).) Based on CARB's review, it can be seen with certainty that there is no possibility that the proposed Funding Plan, Carl Moyer Program changes, Agricultural Burning Incentives for Combustion Equipment, and CHIRP may result in a significant adverse impact on the environment. Further, the proposed action is designed to protect the environment, and CARB found no substantial evidence indicating the proposal could adversely affect air quality or any other environmental resource area, or that any of the exceptions to the exemption applies (Cal. Code Regs., tit. 14, § 15300.2). Therefore, even if the FY 2021-22 Funding Plan, Carl Moyer Program changes, Agricultural Burning Incentives for Combustion Equipment and CHIRP were projects under CEQA, it would be exempt from CEQA.

### **Special Accommodation Request**

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the meeting;
- Documents made available in an alternate format or another language; and
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerks' Office at <a href="mailto:cotb@arb.ca.gov">cotb@arb.ca.gov</a> or (916) 322-5594 as soon as possible, but no later than ten business days before the scheduled Board meeting. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia;
- Documentos disponibles en un formato alterno u otro idioma; y
- Una acomodación razonable relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al <a href="mailto:cotb@arb.ca.gov">cotb@arb.ca.gov</a> o (916) 322-5594 lo más pronto posible, pero no menos de diez días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

California Air Resources Board

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Richard W. Corey Executive Officer

Date: September 24, 2021

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see <a href="#">CARB's website</a> (www.arb.ca.gov).