

# Fiscal Year 2013-14 District Incentive Programs Spending Plan

Environmental Justice Advisory Group  
June 27, 2013



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# Incentive Strategy

- Focuses on achieving greatest reductions in expedited manner
- Promotes efficient, immediate access to District funding
- Equal District outreach in all regions
- Maximizes flexibility to meet fund deadlines and provide best possible customer service
- Ensures actual “SIP creditable” reductions
- Provides opportunities to leverage other funds and promote partnerships



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# Incentive Strategy

- Key factors considered for distributing incentive funds:
  - Cost-effectiveness
  - Inventory of projects
  - Expenditure timeframe
  - Regulatory deadlines
  - Health Benefits
  - Technology advancement
  - Environmental Justice
- Distribution of funds closely follows population and location of key sources



# Statutory Constraints

- District must comply with strict, prescriptive requirements associated with each funding source
- Current funding is complex matrix of local, state and federal sources
- Each source contains specific requirements, limitations and restrictions
  - Expenditure deadlines
  - Project eligibility
  - Administrative approach for distribution
- Requirements vary significantly between sources



# Statutory Constraints

- Proposition 1B Program
  - Funding must be used on heavy-duty trucks or locomotives (goods movement)
  - No regional preference can be given
  - Must be RFP-based, with projects ranked by cost-effectiveness
- Carl Moyer Program
  - Funding must be primarily used on heavy-duty projects
  - Has strict funding caps, cost-effectiveness cap, and eligibility requirements
  - Must allocate 50% of funds to EJ communities



# Statutory Constraints

- DMV Funds
  - Funding must be used primarily for on-road and off-road mobile source reductions
  - Portions of funds must follow State Carl Moyer and Lower Emission School Bus guidelines
  - Must allocate \$10 million of new DMV funds to EJ communities
- AERO/Rule 3170 Funds
  - Governing Board discretion for emission reduction incentives
- ISR/VERA Funds
  - Preference given to projects near proximity to development projects



# Funding Sources

Source	Reserves	Revenue	Total
DMV	\$14.90	\$40.86	\$55.76
Carl Moyer	2.07	7.80	9.87
VERA & ISR	2.95	2.90	5.85
Prop 1B Funding	1.46	28.80	30.26
School Bus	3.04	1.78	4.82
Federal DERA	0.60	1.93	2.53
Miscellaneous Grants	1.22	0.61	1.83
AERO/Section 185 Penalty			
/General Fund	7.38	3.20	10.58
EV-Energy Efficiency Grant		0.15	0.15
<b>Total</b>	<b>\$33.62</b>	<b>\$88.03</b>	<b>\$121.65</b>

\*shown in millions



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# Incentives Spending Plan

- **Community Incentives**
  - Drive Clean! Rebate (electric cars, alt fuels, etc.)
    - Funding: \$2 million
  - Tune-In Tune-Up Vehicle Repair
    - Funding: \$4 million
  - Vehicle Scrap
    - Funding: \$0.25 million
  - Burn Cleaner (residential wood burning)
    - Funding: \$2 million
  - Lawn Mower Replacement
    - Funding: \$1.02 million
  - REMOVE (vanpools, bike paths, etc.)
    - Funding: \$1.3 million





# Incentives Spending Plan

- **Goods Movement Programs**
  - Proposition 1B Heavy Duty Trucks
    - Funding: \$30.3 million
  - Rail Locomotives (switcher and line-haul)
    - Funding: \$4.6 million



# Incentives Spending Plan

- **Heavy Duty Diesel Programs**
  - Agricultural Equipment Replacement
    - Funding: \$20.9 million
  - Agricultural Irrigation Pumps
    - Funding: \$3 million
  - Truck Voucher Incentive Program
    - Funding: \$8.2 million
  - Construction Equipment Replacement
    - Funding: \$3 million
  - Refuse Fleet Replacement
    - Funding: \$5.4 million



# Incentives Spending Plan

- **Advanced Transportation/Vehicles**
  - Public Benefit Grants
    - Funding: \$20 million
  - Electric Vehicle Strategic Plan for San Joaquin Valley
    - Funding: \$150,000
- **School Bus Replacement & Retrofit**
  - Valley School Bus Replacement/Retrofit
    - Funding: \$8 million
  - Statewide Retrofit Program
    - Funding: \$1.1 million



# Incentives Spending Plan

- **Regional Assistance**
  - Mobile Source/Greenhouse Gas Mitigation Assistance to cities and counties
    - Funding: \$250,000
- **Technology Advancement**
  - Mobile Source and Renewable/Waste to Energy (advanced electric trucks, dairy digesters, etc.)
    - Funding: \$5.3 million
  - Zero-Emission Commercial Lawn and Garden
    - Funding: \$750,000

