



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

Proposed Updates to Transportation Fund for Clean Air (TFCA) Regional Fund Policies & Evaluation Criteria for FYE 2015

October 29, 2014

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Bay Area Air Quality Management District



Overview

- BAAQMD Background
- Emissions Calculations (Cost-Effectiveness)
- Existing Board Approved Policies
- Proposed Updates
- Solicitation Schedule and Next Steps
- Open to Public Comment



BAAQMD Background

- **Established in 1955**
- **7 million population**
(~ 5.7 million vehicles)
- **9 Counties**
- **5,340 square miles**
- **Mission:** To protect and improve public health, air quality, and the global climate





TFCA Background

- Established in 1991, funding from \$4 surcharge on Bay Area motor vehicles for projects that reduce on-road vehicle emissions
- 60% of TFCA funds awarded directly by BAAQMD:
 - BAAQMD led projects and programs
 - TFCA Regional Fund Program (competitive program)
- Remaining 40% is distributed to the 9-Bay Area Congestion Management Agencies
- Board adopts policies and evaluation criteria annually



TFCA Cost Effectiveness Calculations

Ratio of **TFCA funds awarded** divided by the **sum total tons** of reactive organic gases (ROG), oxides of nitrogen (NO_x), and weighted particulate matter (PM₁₀) reduced over project useful life:

C/E =	TFCA \$ requested
	Tons reduced (NO_x + ROG + (PM₁₀*20))

Proposed cost-effectiveness not to exceed:

- ✓ \$250,000/ton - Light-Duty Zero & Partial-Zero Emissions Vehicles for Fleets
- ✓ \$250,000/ton - Heavy-Duty Zero Emissions Vehicles
- ✓ \$500,000/ton - Alternative Fuel Infrastructure (Hydrogen and CNG)



Board Approved TFCA Regional Fund Policies

- **General Policies**

- #4 - Public Agencies & Non-public entities are eligible
- #6 - **\$10,000** minimum grant award
- #7 - Maximum award per calendar year
 - **\$1,500,000** for each public agency
 - **\$500,000** for each non-public agency
- #8 - Projects must commence in 2015
- #15 - Planning and feasibility studies are **not eligible**
- #17 - Projects that received TFCA funds are **not eligible**
- #18 - Combining TFCA County Program Manager Funds with Regional Funds is allowed; however, C/E determined by total of both requested \$\$\$ amounts



Policy #22-Light-Duty ZEV and PZEV for Fleets:

- Funding for projects that meet all Board-adopted policies including:
 - Purchase or lease of five or more new vehicles to a single owner
 - Model year 2014 or newer vehicles with a gross vehicle weight rating of 14,000lbs or lighter
 - Vehicles must be maintained for three years and meet minimum vehicle mileage requirements
- **Eligible vehicle types:**
 - Plug-in hybrid electric (PHEV), plug-in electric (PEV), & fuel cell vehicles (FCV)
 - Certified by California Air Resource Board (CARB) as super-ultra low emission vehicle (SULEV) or zero-emission (ZEV) standards
- **Non-eligible vehicle types:** gasoline, CNG, diesel, hybrid, non-CARB approved or certified retrofits
- Funding based on Max. \$250,000 Cost-Effectiveness



Policy #22-Light-Duty ZEV and PZEV for Fleets (Continued):

Max. TFCA funding per vehicle:

		<u>Average Annual Mileage/Vehicle</u>			
GVWR	Vehicle Type	15,000 – 24,999 miles per year	25,000 – 34,999 miles per year	35,000 – 44,999 miles per year	45,000 or more miles per year
8,500 or lighter	SULEV	\$1,250	\$2,500	\$3,500	\$4,500
	ZEV	\$4,000	\$6,500	\$8,500	\$10,500
8,501 – 14,000	SULEV	\$6,000	\$8,000	\$10,000	\$12,000
	ZEV	\$10,000	\$12,000	\$14,000	\$16,000



Policy #23 - Heavy-Duty Zero Emissions Vehicles:

- Funding for projects that meet all Board-adopted policies including:
 - New purchase or lease
 - Model year 2014 or newer vehicles with a gross vehicle weight rating greater than 14,000lbs
 - Vehicles must be maintained for three years and meet minimum vehicle mileage requirements
- **Eligible vehicle types** include zero-emissions (electric or fuels cell) that are certified by CARB
- **Non-eligible vehicle** types: gasoline, CNG, diesel, hybrid, non-CARB approved or certified retrofits
- Funding based on Max. \$250,000 Cost-Effectiveness



Proposed Update
Policy #23 - Heavy-Duty ZEV (Continued):

Max. TFCA funding per vehicle:

GVWR/Intended Service Class	<u>Average Annual Mileage/Vehicle</u>		
	15,000 – 29,999 miles per year	30,000 – 44,999 miles per year	45,000 or more miles per year
14,001 – 33,000	\$12,500	\$25,000	\$40,000
33,000+	\$20,000	\$40,000	\$60,000
URBAN BUS	\$15,000	\$30,000	\$45,000



Policy #24 - Alternative Fuel Infrastructure:

- Funding for projects that meet all Board-adopted policies including:
 - Must be accessible to the public
 - Stations must operate for three years & adhere to existing code/standards
 - State or Federal Agency must have given funding or passing score (***For Hydrogen projects only***)
- \$1.25 million max. grant amount per non-public entity (increased from \$500k)
- **Eligible project types:**
 - Purchase & Installation of equipment for new dispensing facilities
 - Upgrade & improvements that expand existing sites
- **Non-eligible costs:** Fuel, on-going operations, and maintenance
- Funding based on Max. \$500,000 Cost-Effectiveness
- Funding not to exceed 35% or \$300,000 of total project costs



Proposed Schedule

All Dates after November 10 are tentative and subject to change

October 16, 2014

Proposed Policies issued for Public Comment

October 29, 2014

Webinar

**November 10, 2014,
4:30pm**

Public Comment Period closes (Deadline to submit comments)

December 2014:
(tentative)

BAAQMD's Mobile Source Committee and Board of Directors

Spring 2015
(tentative)

Issue call for projects, begin accepting applications



OPEN FOR COMMENTS

Written Comment

Due: November 10, 2014 (4:00PM)

Subject: Update FYE 2015 TFCA Regional Fund Policies & Evaluation Criteria

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