



BOARD OF DIRECTORS
CLIMATE PROTECTION COMMITTEE
COMMITTEE MEMBERS

**BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT**

TERESA BARRETT – CHAIR
JOHN GIOIA
REBECCA KAPLAN
KATIE RICE
ROD SINKS
SHIRLEE ZANE

HILLARY RONEN - VICE CHAIR
SCOTT HAGGERTY
DOUG KIM
MARK ROSS
BRAD WAGENKNECHT

**THURSDAY
MARCH 15, 2018
9:30 A.M.**

**1ST FLOOR BOARD ROOM
375 BEALE STREET
SAN FRANCISCO, CA 94105**

AGENDA

1. CALL TO ORDER - ROLL CALL – PLEDGE OF ALLEGIANCE

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members. The Committee Chair shall lead the Pledge of Allegiance.

2. PUBLIC COMMENT ON NON-AGENDA MATTERS

(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at Air District headquarters, 375 Beale Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to up to three (3) minutes each.

This meeting will be webcast. To see the webcast, please visit <http://www.baaqmd.gov/about-the-air-district/board-of-directors/resolutionsagendasminutes> at the time of the meeting. Closed captioning may contain errors and omissions, and are not certified for their content or form.

Staff/Phone (415) 749-

3. APPROVAL OF THE MINUTES OF NOVEMBER 16, 2017

Clerk of the Boards/5073

The Committee will consider approving the draft minutes of the Climate Protection Committee meeting of November 16, 2017.

4. **CLIMATE PROTECTION GRANT PROGRAM**

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will brief the Committee on the proposed criteria and guidelines for the Climate Protection Grant Program established in the Fiscal Year Ending (FYE) 2018 Budget.

5. **UPDATE ON THE AIR DISTRICT'S BASIN-WIDE METHANE STRATEGY**

J. Broadbent/5052
jbroadbent@baaqmd.gov

Staff will provide background information about methane including the following: the importance of methane as a climate pollutant, sources of methane in the Bay Area, and the results from recent methane research efforts. Staff will also provide an update on the roadmap for methane control measures, including a discussion of rules expected to be completed in 2018.

6. **COMMITTEE MEMBER COMMENTS / OTHER BUSINESS**

Any member of the Board, or its staff, on his or her own initiative or in response to questions posed by the public, may: ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

7. **TIME AND PLACE OF NEXT MEETING**

Thursday, May 17, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

8. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT:

ACTING MANAGER, EXECUTIVE OPERATIONS
375 BEALE STREET, SAN FRANCISCO, CA 94105
vjohnson@baaqmd.gov

(415) 749-4941
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the “Members of the Climate Protection Committee” and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Board meeting. Any correspondence received after that time will be presented to the Board at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District’s offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District’s policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at www.baaqmd.gov/accessibility to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District’s Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at rsanders@baaqmd.gov.

**BAY AREA AIR QUALITY MANAGEMENT DISTRICT
375 BEALE STREET, SAN FRANCISCO, CALIFORNIA 94105
FOR QUESTIONS PLEASE CALL (415) 749-4941**

**EXECUTIVE OFFICE:
MONTHLY CALENDAR OF AIR DISTRICT MEETINGS**

MARCH 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Climate Protection Committee <i>(Meets on the 3rd Thursday of every other Month)</i>	Thursday	15	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i> - CANCELLED	Monday	19	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of every other Month)</i>	Monday	19	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i> - CANCELLED	Wednesday	21	9:30 a.m.	1 st Floor Board Room
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i> - CANCELLED	Thursday	22	9:30 a.m.	1 st Floor Board Room
Board of Directors Legislative Committee <i>(At the Call of the Chair)</i>	Thursday	22	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee & Advisory Council Joint Mtg. <i>(EC Meets on the 3rd Monday of each Month) and (AC Meets At the Call of the Chair)</i>	Monday	26	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	28	9:30 a.m.	1st Floor, Yerba Buena Room #109

APRIL 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	4	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	18	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	26	9:30 a.m.	1 st Floor Board Room

MAY 2018

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Regular Meeting <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	2	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Mtg. <i>(Meets on the 1st & 3rd Wednesday of each Month)</i>	Wednesday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Climate Protection Committee <i>(Meets on the 3rd Thursday of every other Month)</i>	Thursday	17	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee <i>(Meets on the 3rd Monday of each Month)</i>	Monday	21	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee <i>(Meets on the 3rd Monday of every other Month)</i>	Monday	21	10:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee <i>(Meets on the 4th Wednesday of each Month)</i>	Wednesday	23	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee <i>(Meets on the 4th Thursday of each Month)</i>	Thursday	24	9:30 a.m.	1 st Floor Board Room
HL – 3/7/18 – 4:55 p.m.				G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Teresa Barrett and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 6, 2018

Re: Approval of the Minutes of November 16, 2017

RECOMMENDED ACTION

Approve attached draft minutes of the Climate Protection Committee (Committee) meeting of November 16, 2017.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of November 16, 2017.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

Attachment 3A: Draft Minutes of the Committee meeting of November 16, 2017

Draft Minutes – Climate Protection Committee Meeting of November 16, 2017

Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, California 94105
(415) 749-5073

DRAFT MINUTES

Summary of Board of Directors
Climate Protection Committee Meeting
Thursday, November 16, 2017

1. CALL TO ORDER – ROLL CALL

Climate Protection Committee (Committee) Chairperson, Teresa Barrett, called the meeting to order at 9:50 a.m.

Present: Chairperson Teresa Barrett; Vice-Chairperson Rod Sinks; and Directors Scott Haggerty, David Hudson, and Katie Rice.

Absent: Directors Margaret Abe-Koga, John Gioia, Mark Ross, and Brad Wagenknecht.

2. PUBLIC COMMENT ON NON-AGENDA MATTERS

Public comments were given by Amanda Leonis, City of San Jose; and Janet Stromberg and Jed Holtzman, 350 Bay Area.

The Committee and staff discussed the District's teleconferencing capabilities and satellite locations in Sonoma and Santa Clara Counties, as well as the protocol of when such opportunities are applicable and when they are not.

3. AB 398 AND THE AIR DISTRICT 2017 CLEAN AIR PLAN (OUT OF ORDER, ITEM 4)

Jean Roggenkamp, Deputy Executive Officer, introduced Abby Young, Climate Protection Manager, who gave the staff presentation *Assembly Bill (AB) 398 and the Air District 2017 Clean Air Plan, including*: Clean Air Plan goals and objectives; what does AB 398 do; Bay Area sources affected; impact on the Clean Air Plan and Bay Area greenhouse gas (GHG) emissions; what is not covered by AB 398; Clean Air Plan rule-making schedule; funding and financing; working with local governments; land use and transportation; science and research; Communications and Community Engagement; and next steps.

NOTED PRESENT: Director Haggerty was noted present at 10:00 a.m.

Public Comments:

Public comments were given by Sara Greenwald, San Francisco resident; and Janet Stromberg and Jed Holtzman, 350 Bay Area.

Committee Comments:

The Committee and staff discussed the amount of Cap and Trade-controlled carbon dioxide (CO₂) emissions that the District cannot regulate, versus the amount of non-Cap-and-Trade-controlled CO₂ emissions that the District may regulate; the efficacy of the Cap and Trade program as it relates to the reduction of GHG emissions in the Bay Area; whether District Regulation 12, Rule 15: Petroleum Refining Emissions Tracking, will be affected by AB 398; whether black carbon is considered a GHG under the Kyoto Protocol; the suggestion that the District seeks legislation to mandate that solar be required on all new home construction in the Bay Area, and the added suggestion that Community Choice Aggregation agencies be included in such discussions; how Silicon Valley Clean Energy would welcome the District's advice on how to best grant its large surplus; and the optimal time to invest in non-carbon electricity generation.

Committee Action:

None; receive and file.

4. APPROVAL OF THE MINUTES OF SEPTEMBER 21, 2017 (ITEM 3)

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

Director Haggerty made a motion, seconded by Director Hudson, to approve the minutes of September 21, 2017; and the motion carried by the following vote of the Committee:

AYES: Barrett, Haggerty, Hudson, Rice, and Sinks.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Gioia, Ross, and Wagenknecht.

5. CALIFORNIA AIR RESOURCES BOARD (CARB) DRAFT 2017 CLIMATE CHANGE SCOPING PLAN UPDATE

Ms. Roggenkamp introduced David Burch, Principal Planner, who gave the staff presentation *California Air Resources Board Draft 2017 Climate Change Scoping Plan Update*, including: evolution of Scoping Plan; objectives for 2017 update; scenarios considered; key elements of revised strategy; emissions reduction by program; Senate Bill 375 targets; nexus to 2017 Clean Air Plan; role of local agencies; and next steps.

Public Comments:

Public comments were given by Janet Stromberg and Jed Holtzman, 350 Bay Area; and Gary Hughes, Friends of the Earth US.

Committee Comments:

The Committee and staff discussed how some cities and local agencies will not be able to help implement CARB’s Scoping Plan measures because they lack the funds to do so; whether CARB’s initiatives are purposely aligned with those of the Governor, the need for the District to monitor CARB’s actions and measure the effectiveness of the extended Cap and Trade program so that the District will be in a position to lobby the new incoming Governor for new and additional tools; the request that staff prepares a semi-annual or quarterly “report card” of current emission level reductions over time; and the need for the District to continue to hold CARB accountable for reducing mobile source emissions and other things over which the District has no direct regulatory authority.

Committee Action:

None; receive and file.

6. COMMITTEE MEMBER COMMENTS / OTHER BUSINESS

Director Hudson stated that he attended a Metropolitan Transportation Commission (MTC) meeting and heard discussion in which commuter benefits were being scrutinized. He suggested that District staff inform the District’s Legislative Committee so the Committee can discuss how this may impact the Bay Area Commuter Benefits Program, which is jointly overseen by the District and MTC.

6. TIME AND PLACE OF NEXT MEETING

The Committee will meet on Thursday, January 18, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

7. ADJOURNMENT

The meeting adjourned at 11:24 a.m.

Marcy Hirtzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Teresa Barrett and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 6, 2018

Re: Climate Protection Grant Program

RECOMMENDED ACTION

The Committee will consider recommending the Climate Protection Grant Program Guidelines be approved by the Board of Directors.

BACKGROUND

In April of 2017, the Board of Directors adopted *Spare the Air – Cool the Climate*, the 2017 Clean Air Plan (Plan). The Plan lays out 85 different control measures that support transitioning to a “post-carbon” economy in the Bay Area by 2050, and describes a comprehensive regional climate protection strategy to put the region on a pathway to achieve that vision. Many of the control measures in the Plan focus on collaborating with and supporting the work of local governments to reduce greenhouse gas (GHG) emissions throughout the Bay Area over the long term. To help implement the Plan and to support local GHG reduction initiatives, the Board approved \$4.5 million in the Fiscal Year Ending (FYE) 2018 budget for a Climate Protection Grant Program.

DISCUSSION

Over the past several months, staff has been working to develop the structure and parameters of the Climate Protection Grant Program, and has met with a variety of stakeholders to receive ideas and input. Staff has developed draft guidelines (Attachment 4A) that have been circulated to Bay Area public agencies for review and comment. The draft guidelines support the priorities in the Clean Air Plan, complement other Air District grant and incentive programs, and reflect stakeholder input.

Staff will brief the Committee on the draft guidelines for the grant program, including discussion of the goals and objectives of the program, funding program categories, criteria to be used in selecting projects, feedback received from stakeholders, and next steps in the process to launch the program.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken

Attachment 4A: 2018 Climate Protection Grant Program Guidelines



2018 CLIMATE PROTECTION GRANT PROGRAM

Bay Area Air Quality Management District

Procedures & Guidelines

March 1, 2018

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Bay Area Air Quality Management District
2018 Climate Protection Grant Program
GUIDELINES

SECTION I GENERAL INFORMATION

Program Summary

The Bay Area Air Quality Management District (Air District) aims to create a healthy breathing environment for every Bay Area resident while protecting and improving public health, air quality, and the global climate. Climate change—which has already begun to affect the region, state and world—threatens to degrade air quality and to potentially jeopardize the health and well-being of Bay Area residents, especially those in the most vulnerable communities. In 2017, the Air District adopted *Spare the Air, Cool the Climate*, its multi-pollutant Clean Air Plan (Plan). Consistent with the greenhouse gas (GHG) reduction targets adopted by the State of California, the Plan lays the groundwork for a long-term effort to reduce Bay Area GHG emissions 40 percent below 1990 levels by 2030 and 80 percent below 1990 levels by 2050.

The 2018 Climate Protection Grant Program is a one-time funding program that prioritizes projects that make progress towards achieving the Air District's 2030 and 2050 GHG targets and accelerating the implementation of local climate protection efforts. Under this grant program, the Air District will fund activities in two categories:

- 1) Reducing GHGs from Existing Buildings, and
- 2) Fostering Innovative Strategies with long-term impacts in reducing GHG emissions.

Further descriptions of these two categories and examples of eligible projects are listed in Section III Grant Program Categories.

The Climate Protection Grant Program is intended to complement the emission reduction goals contained in the Air District's existing and future grant and incentive programs while establishing distinct funding requirements. In 2018, the Air District's Strategic Incentives Division (SID) will provide up to \$100 million in grants and incentives for a wide variety of on-and off-road clean and zero-emission vehicles and infrastructure projects, trip reduction, and woodstove replacements. The Air District's new Technology Implementation Office (TIO) will focus on deploying innovative technologies for commercial and industrial applications. The Climate Protection Grant Program offers funding that aligns with the emission reduction goals of SID and TIO, but the funding eligibility requirements are distinct from those of these existing programs. For more information about Air District grant programs, please visit the Air District's website <http://www.baaqmd.gov/grant-funding>.

Schedule

Tentative Dates	Action
March 21, 2018 (anticipated)	Release final guidelines/Call for Projects
Late March-Early April	Convene application workshops
April 6, 2018	Optional Letters of Interest due
April 30, 2018	Applications due
Early June 2018	Announce grant awards
June/July 2018	Execute award agreements

Who Can Apply

Only public agencies are eligible to apply. Public agencies include cities, counties, water and other special districts, school and community college districts, joint powers authorities, and community choice energy programs that are located and provide services within the Air District's jurisdiction, i.e., Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo and Santa Clara Counties, and the southern parts of Solano and Sonoma Counties.¹ Eligible grant recipients must be responsible for the implementation of the project and have the authority and capability to complete the project. Partnerships with third parties - such as non-profit organizations, private business, and other public agencies - are encouraged, however, only public agencies may apply for and administer the grants. There is no limit to the number of applications a jurisdiction can submit, however, only one application can be submitted per distinct project.

Award Amounts

A total of \$4.5 million is available for climate protection grants. Award amounts are limited to between \$100,000 and \$300,000. Applications that exceed this range will be considered if a Letter of Interest is submitted prior to submission of a full application. There is no guarantee that awards exceeding \$300,000 will be made.

Duration

All work funded by Climate Protection Grants must be completed within 1-2 years of the execution of a funding agreement with the Air District.

Activities not Eligible for Air District Funding

The Grant Program will not fund:

- cost of preparing or submitting grant application
- lobbying
- development of climate action plans or general plans
- endowment campaigns
- fundraising activities
- grants/scholarships to individuals
- primary academic research

¹Air District boundary maps: <http://www.baaqmd.gov/research-and-data/interactive-data-maps>

- marketing of products or technologies for profit
- research and development for new technologies or products

Any work performed prior to the full execution of a funding agreement with the Air District is not eligible for Climate Protection Grant Program funding.

SECTION II GOAL AND OBJECTIVES

The over-arching goal of the Climate Protection Grant Program is to **achieve GHG reductions by accelerating implementation of the Air District's 2017 Clean Air Plan.**

To be eligible for funding, applications *must* support Objective 1; applications *may* support one or more of the other optional objectives.

Objective 1 (Mandatory): *Support implementation of measure(s) outlined in the Air District's 2017 Clean Air Plan*

Applications must support the implementation of one or more of the 85 control measures described in the [2017 Clean Air Plan](http://www.baaqmd.gov/plans-and-climate/air-quality-plans/current-plans) (<http://www.baaqmd.gov/plans-and-climate/air-quality-plans/current-plans>).

Objective 2: *Achieve air quality co-benefits*

The Air District's Clean Air Plan addresses multiple pollutants including GHGs. Certain, but not all, actions that reduce GHG emissions also reduce emissions of criteria air pollutants (ozone, particulate matter, sulfur dioxide, lead, nitrogen oxide, and carbon monoxide) and toxic air contaminants (e.g., diesel particulate matter, benzene).² The Air District seeks to fund projects that reduce these pollutants in addition to GHGs.

Objective 3: *Accelerate local implementation of GHG reduction policies and programs*

Local climate protection policies and programs often serve as the critical framework that identifies specific actions local governments plan to take to reduce GHG emissions. The Air District seeks to accelerate the implementation of local GHG reduction activities, particularly where they overlap with the Air District's Clean Air Plan.

Objective 4: *Engage and benefit impacted/CARE communities*

Some communities in the Bay Area continue to be disproportionately impacted by higher pollution levels than other areas. These communities are generally near freeways, large industrial facilities and/or busy distribution centers such as ports. The Air District's Community Air Risk Evaluation (CARE) program has identified communities most affected by high levels of toxic air contaminants, particulate matter and emissions that lead to smog formation. Applicants should consult the CARE program map (see <http://www.baaqmd.gov/plans-and-climate/community-air-risk-evaluation-care-program>) to determine if the proposed project is within or serves a CARE community. These "impacted communities" may include neighborhoods that would benefit from climate protection solutions (e.g., financial savings, job creation, improved air quality). The Air

² For a list of toxic air contaminants, see http://www.oehha.ca.gov/air/toxic_contaminants/pdf_zip/Appendix%20A.pdf

District seeks to fund projects that engage or benefit these impacted communities and ensure their ability to enjoy the many co-benefits of climate protection activities.

Objective 5: Implement innovative approaches

Grant funds may be used for pilot-testing innovative new projects or policy approaches, particularly those that hold promise for long-term reductions in GHG emissions.

Objective 6: Create replicable solutions for the Bay Area and elsewhere

The Air District seeks to identify GHG emission reduction strategies that can be easily and widely replicated throughout Bay Area cities and counties, throughout the State and beyond.

SECTION III GRANT PROGRAM CATEGORIES

In order to achieve the goal and objectives of the Climate Protection Grant Program, the Air District is focusing on two important program areas:

- Reducing GHG emissions from existing buildings; and
- Fostering innovative, cutting-edge GHG-reducing policies and strategies.

This funding strategy allows the Air District to invest deeply in one focused area – energy use in existing buildings – while also making funding available for projects in any economic sector that are particularly innovative and demonstrate potential for GHG reductions over the long term.

1) Reducing GHGs from Existing Buildings

Energy use in residential and commercial buildings is a major source of GHG emissions. Commercial and residential buildings account for nearly 70 percent of California's electricity consumption and 55 percent of its natural gas use. While the State of California and many local governments are aggressively addressing GHG emissions associated with energy use from new construction, existing buildings will continue to be a large source of emissions well into the future. In fact, two-thirds of the buildings that will exist in 2050 have already been built. This grant program is designed to address this legacy of building-related GHG emissions.

State, regional and local climate protection goals are well-aligned around reducing GHG emissions from the buildings sector. Under SB 350, the State of California is aiming to increase the energy efficiency of existing buildings by 50 percent by 2030. The Air District's 2017 Clean Air Plan includes many actions focused on building energy use and specifically on reducing fossil fuel use in buildings. All of the 65+ local climate action plans in the Bay Area include measures designed to reduce GHG emissions from the buildings sector. This grant program is intended to accelerate the implementation of all these efforts.

History has shown that achieving large-scale reductions in GHG emissions from the existing building stock has been exceptionally difficult. This is largely because the decision-making and implementation associated with changes to building energy use is extremely decentralized. Decision-makers are individual building owners. Their decisions to switch to more energy-efficient building systems and technologies, or to switch to lower

carbon/carbon-free energy alternatives depend on multiple factors, including access to information about both the alternatives and financing/rebates available. What low carbon alternatives are available? What is the payback time for different technologies? What rebates and tax credits might be available? Building owners may not know what questions to ask, let alone where to ask them. Since building owners often rely on contractors, vendors and installers of building technologies for advice on building improvements, it is critical for that group to be knowledgeable about these options.

This funding category is intended to facilitate the implementation of energy efficiency and renewable energy technologies in existing buildings to reduce building energy use overall. These efforts would also serve to reduce fossil fuel use and/or combustion in buildings, as well as reduce emissions of high-global warming potential (GWP) gases. Examples of the types of practices and technologies that could be supported by programs funded under this funding category include: energy efficiency and conservation, solar-water heating, heat pumps, solar photovoltaic energy, battery storage, switching from natural-gas to electric or renewable-energy end uses, and reducing refrigerant use or switching to low-GWP refrigerants.

Eligible projects could include (but are not limited to):

- Training and outreach programs for contractors, vendors and installers about preferable technologies to offer customers at time of equipment replacement;
- Development of new local building standards to support equipment upgrades when property is sold or renovated;
- Streamlining of permitting processes, reducing of fees for low-carbon remodels and installation of low-carbon alternative technologies and energy systems;
- Co-op funding program between public agency and vendors to incentivize low-carbon technologies and energy systems;
- Development of funding mechanisms for home or business owners to install low-carbon technologies and renewable-energy generation systems;
- Outreach and incentive programs for commercial building owners to address refrigeration system leaks and replacement with more climate-friendly refrigerants.

These examples provide general guidance, and neither limit the range of potentially eligible projects nor guarantee funding for any project.

2) Innovative Strategy Grants

Transitioning to a post-carbon economy presents a daunting challenge. This challenge provides a tremendous opportunity for the development of new technologies, solutions, and ideas that will ensure humanity's continued viability and prosperity.

“To protect public health and stabilize the climate, we must quickly reduce our dependence on fossil fuels and embark on the transition to a post-carbon economy.”

- 2017 Clean Air Plan

The Air District is committed to achieving GHG-emission reductions across all economic sectors, including energy, solid waste, water, agriculture, stationary sources, transportation, and natural and working lands. In 2017, the Air District launched a Technology Implementation Office (TIO), which will offer financing and matchmaking to accelerate the deployment of disruptive, low-cost technologies in the areas of zero emission vehicles, smart/connected technologies, and lower emission industrial processes. The Climate Protection Grant Program is designed to support and

complement the efforts of the TIO by funding policy development and implementation strategies that enable greater GHG emission reductions. Applications may be submitted for all economic sectors described in the Air District's 2017 Clean Air Plan.

This grant category is specifically intended to encourage and support innovative policies and strategies with regional potential. The Air District will maximize the impact of its grant funding by supporting projects that foster the development and implementation of ground-breaking approaches that overcome current barriers and create new pathways to a post-carbon economy.

Fostering Innovation

Achieving the long-term goal of reducing GHG emissions 80% below 1990 levels by 2050 will require the development and implementation of new approaches and new ways of conducting business, by all sectors of the community. Grant funds are available to help bring creative, innovative strategies to fruition, especially those that result in transformative impacts well beyond the scope of the original project. For example, when the Air District issued climate protection grants in 2010, two particularly innovative strategies that were funded were *Marin Clean Energy*, California's first community choice energy program, and *Berkeley First*, which created the concept of property-assessed clean energy (PACE) financing. Both of these projects resulted in widespread impacts and replication. This is the intent of this grant category – to launch new game-changing policies, strategies and programs that will have long-term, transformative impacts.

Grant funds may be used for scoping and piloting innovative new projects or policy approaches in any economic sector. A specific barrier to large-scale GHG reduction must be identified and addressed. Eligible projects could include (but are not limited to):

- Design and implementation of innovative financing mechanisms;
- Development of GHG-based, market-based mechanisms;
- Creation of a small business purchasing collective for energy-efficient lighting/equipment/solar/clean vehicles/etc.
- Combination of new policy/program driver plus incentives to create a comprehensive program to stimulate market demand for transformative technologies;
- New, innovative uses of social marketing to drive large-scale, near-term action, consumer awareness and behavior change;
- Creatively addressing barriers to implementing low-carbon solutions through technology or practices.

These examples provide general guidance and are neither intended to limit the range of projects submitted for funding nor to assure funding for any project.

SECTION IV APPLICATION REQUIREMENTS AND PROCEDURES

Application Deadline

Applications must be uploaded electronically through the Air District's Procurement Portal no later than *5:00 pm on Monday, April 30, 2018*. Only completed applications received by the deadline will be evaluated; incomplete applications will be rejected. ***Please see detailed instructions about the electronic submission process later in this section.***

Application Checklist

Any items submitted other than those specified in this Checklist will not be reviewed.

Cover sheet – Maximum 1 page (required)

The Air District's Climate Protection Grant Program Cover Sheet (Appendix A) must be signed by a person with authority to legally bind your organization (in electronic applications, a typed-in name is legally equivalent to a signature³).

Proposal Narrative – Maximum 8 pages (required):

Project narratives should be concise, and adequately and clearly address all the following required elements.

- a. *Summary of Project* – Provide a clear and concise description of the project, including the need or problem being addressed, and why funding from the Air District is critical in meeting that need.
- b. *Strategic approach* – Include a detailed description of what the project will do, how it will do it, any partners and their specific roles, why this particular approach is proposed. Provide a table of major deliverables and estimated completion dates. Deliverables should include expected milestones and coincide with stated objectives of the project.
- c. *Connection with Air District's goal and objectives* – State specifically how the project and approach will support the grant program's goal and objectives, being clear as to which objectives the project will support. Quantify co-benefits as much as possible, clearly explaining the assumptions and methodologies used for making these estimations.
- d. *Potential for GHG Reduction* – Use the emissions quantification guidelines in Appendix B to estimate the GHG emission reductions expected to result from the project. Describe the basis for estimating the potential emission reductions. Discuss the likelihood that the proposed project activity will achieve the emission reduction goals (e.g., will implementation actions be mandatory versus voluntary; have incentive funds been secured). Provide a quantified estimate of annual GHG emission reductions achieved at the time of project completion. Include a discussion of how soon the project will begin demonstrating GHG reductions.
- e. *Measuring success* – Clearly state the metrics by which success will be evaluated. Describe the criteria to be used to determine if the project has achieved its goals and objectives. A combination of both qualitative and quantitative metrics can be used.

Project Budget – Maximum 2 pages (required)

Provide a full budget for the proposed activity, broken out by year (if applicable). The budget will enable evaluators to determine the likelihood of the full project being funded, how Air District funds might be leveraged, the relative weight of different elements of the

³ See the Electronic Signatures in Global and National Commerce Act, <http://www.ftc.gov/os/2001/06/esign7.htm>

proposed activity, etc. Identify budget line items funded by the Air District's Climate Protection Grant Program. List all other funders, their total contribution (including in-kind), and indicate whether that contribution has been secured (in-hand), committed, requested or not yet requested.

Include, at a minimum, the following line items:

- Salary – list project team members, hours for each and hourly rates for each
- Fringe/benefits – list fringe rate
- Consultants/sub-contractors – list estimated hours and rates if possible
- Meetings – convening of any public meetings, workshops, trainings, etc. required as part of your project (NOT internal project team meetings)
- Materials design & production (including web)
- Indirect expenses / overhead – list your indirect/overhead rate
- Other expenses

In addition, provide a brief budget narrative of 1-2 sentences for each line item to add clarity and specificity.

Partnership Letter of Commitment (optional)

If applicable, provide letters of commitment from any other public agencies, non-profit, business or other collaborators detailing what they are providing to the proposed project (technical support, matching funds, etc.).

Formatting

Proposals must be single-spaced, with a minimum of 1-inch margins and 12-point font. The Air District's Climate Protection Grant Cover Sheet (Appendix A) will serve as the proposal's cover sheet / title page. Proposals should have the name of the applying organization and page number on each page. Proposals must be submitted as a PDF.

Letter of Interest (optional)

A potential applicant may wish to submit a Letter of Interest if they would like Air District staff to preliminarily review their project concept and provide feedback. This may be particularly helpful if an applicant is planning to collaborate with other public agencies on a joint application, is looking to be matched with potential partner agencies, or simply if an applicant wishes to receive initial feedback about the eligibility or potential competitiveness of a proposed project. In addition, a Letter of Interest is required to be submitted prior to developing a full proposal if an applicant is planning to request more than \$300,000.

Deadline for submission of Letters of Interest is 5:00 pm on Friday, April 6, 2018. Detailed instructions and a template are located in Appendix C.

Electronic Submittal Process

Interested applicants must create an account through the Air District's Procurement Portal and use the link provided below to submit required applications, optional Letters of Interest and general questions. Faxed, mailed or couriered proposals will not be accepted.

Using the Air District's Procurement Portal to submit your application:

Step 1: Go to Procurement Portal at
<https://baaqmd.bonfirehub.com/opportunities/private/13c4ca1ed8371c0d39b1cfb350d2a5bb>

Step 2: Under the Login tab, create a Bonfire account under 'New Vendor Registration.' Fill out all fields and select 'Create account.' An Account Confirmation Email will be sent to the email address provided. Once received, open the email and follow instructions to confirm your account.

Step 3: Return to Bonfire account and create a 'Vendor Record.' Complete all fields and select 'Yes' for email notifications, to receive upcoming due date reminders, or other applicable information related to the grant program.

Step 4: Once saved, you will have access to the Climate Protection Grant Program option. Here you can download the grant program guidelines, upload completed applications and Letters of Interest, and view FAQs that will be developed and posted during the open application period.

Step 5: While logged in to the Climate Protection Grant Program, select 'Prepare Submission.' Upload your document (Letter of Interest or full application). Once submitted, you will receive a submission receipt and confirmation code.

Contact Information

Grant applicants are encouraged to discuss their grant proposals with Air District staff prior to submittal. The primary contact for the Climate Protection Grant Program is:

Geraldina Grunbaum
Senior Environmental Planner
climate@baaqmd.gov

SECTION V EVALUATION AND SCORING CRITERIA

Applications will be reviewed after the submittal deadline, and eligible projects will be evaluated and ranked according to the scoring criteria described below.

	Possible Points
Potential for GHG reduction	25
Support for Air District's goal and objectives	20
Strength and feasibility of strategic approach	20
Cost-effectiveness	15
Strength and feasibility of deliverables and timeline	10
Strength of budget	5
Benefit to CARE communities	5
TOTAL Points Possible	100 Total

- 1) Potential for GHG reduction [25 points]
Amount of annual GHG emission reductions achieved after full implementation of the project, including reasonableness of assumptions. While the maximum annual emissions reductions may occur in a future year, the extent to which near-term GHG reductions will be achieved should be discussed. Guidelines for estimating GHG reductions are included in Appendix B.
- 2) Support for Air District's goal and objectives [20 points]
Extent to which the proposed activity is consistent with and supports the goal and objectives of the Climate Protection Grant Program. Scoring will take into consideration the number of objectives the proposed activity supports, as well as how strongly the proposed activity supports a given objective. It is possible for an application that supports one or two objectives very strongly to score higher than a proposal that supports all six objectives superficially.
- 3) Strength and feasibility of strategic approach [20 points]
Achievability of the project's goals and objectives and likelihood that the strategic approach will be successful. Extent to which partners are used appropriately and effectively (if applicable). Extent to which the deliverables are commensurate with the level of funding requested. Extent to which the proposed project budget is adequate for successful implementation of the strategic approach and of achieving the deliverables of the project.
- 4) Cost-effectiveness [15 points]
Extent to which the GHG emission reductions estimated in the proposed project can be accomplished in a cost-effective manner. This is determined by dividing the total amount of funding requested under the Climate Protection Grant Program by the estimated annual GHG emission reductions achieved after full implementation of the project.
- 5) Feasibility of deliverables and timeline [10 points]
Viability of the schedule and likelihood that all deliverables will be completed within the proposed timeframe.

6) Strength of budget [5 points]

Scoring will take into consideration the extent to which Air District funds are leveraging additional funding, the extent to which full funding for the project has been secured, the balance between programmatic expenses (key staff time, project activities, etc.) and administrative costs, and the degree to which the applicant is providing matching funds (matching funds are not required). For scoring purposes, the value of in-kind resources, such as expected staff or volunteer hours, will be calculated at 50% of cash contributions.

7) Benefit to CARE communities (as described in Objective 4, page 3) [5 points]

Extent to which the proposed activity occurs within a CARE community⁴, serves a CARE community, and/or provides a benefit to a CARE community. Benefits might include lower air pollution, reduced energy need/use, financial savings, job creation, etc.

SECTION VI AFTER RECEIVING A GRANT

Award Process

Notification of awards are anticipated to be made in June, 2018. Applicants will be notified electronically after projects are preliminarily approved for funding by the Air District Board of Directors. However, final approval for funding occurs only when a funding agreement has been signed by both the project sponsor and the Air District (i.e., is fully executed). Air District staff will prepare funding agreements that set forth the terms, conditions, and monitoring and reporting requirements of each Climate Protection Grant. **Via funding agreements, project sponsors are legally bound to meet certain requirements**, including notifying the Air District of any change in project implementation, making periodic reports, and providing certificates of insurance. If a project sponsor does not comply with all the terms and conditions of a funding agreement, it may have to repay a portion or all of the funds granted, and the sponsor may be barred from future Air District grants. If the Air District awards an amount that differs from the amount requested, Air District staff will work with the awardee to align deliverables, outcomes and timelines appropriately. Upon execution of the grant contract, the awardee can commence work on its funded activities.

Payment of Grant Funds

The payment schedule will be established in the funding agreement for each project. No funds will be released until the funding agreement has been fully executed by the project sponsor and the Air District. In general, payment will be made on a reimbursement basis, after eligible project costs are incurred and documented. The final payment will be made upon adequate completion of all deliverables and submittal of a complete final report (including narrative and financial reporting).

Reporting

Grantees are required to report on the progress of their grant activities every six months. Interim reports (for the first six-month period) include narrative descriptions of progress

⁴ Geographic boundaries of CARE communities can be found at <http://www.baaqmd.gov/plans-and-climate/community-air-risk-evaluation-care-program>.

and financial accounting of the grant program to date. Annual reports include narrative descriptions of the second half of the year's activities and final fiscal accounting for the whole year. For one-year grants, the annual report is considered the final report. Interim reports are used by the Air District to identify potential problems with grant implementation, to intervene with grantees and modify approaches to ensure successful outcomes. Final reports are used to analyze the impact of the Air District's investments and assist in shaping future grant programs. All reports will be used to share information and promote successes among grantees and with the greater Bay Area community.

Report formats and requirements will be provided to grantees with their award materials.

Meetings/conferring

The Air District will convene a meeting for all its grantees after the first year of grant implementation to share program information and results, and to foster the creation of partnerships and important collaborations among public agencies throughout the Bay Area. Attendance at the annual meeting is strongly encouraged, but not required.

In addition, Air District staff will make every attempt to meet individually with all grantees midway through their project implementation.

APPENDIX A

Climate Protection Grant Cover Sheet

I. Applicant

Name of Jurisdiction: _____

Type of Public Agency: Local government Special District Community Choice Energy

Other (specify) _____

Primary Contact Person: _____

Phone #: () _____

E-mail: _____

II. Project

Project Title: _____

Program Category: Reducing GHGs from Existing Buildings Fostering Innovative Strategies

Total Project Cost: \$ _____

Funding Request: \$ _____

Individual authorized to enter into a formal agreement with the Air District:

I authorize the submittal of this grant application and certify that all information is correct and accurately reflects the project scope, costs, timeline, and availability of funds.

Signature: _____

Print Name: _____

Title: _____

Date: _____

APPENDIX B

Guidelines for Estimating Greenhouse Gas (GHG) Emission Reductions

Applicants are encouraged to use the emission factors and equations provided below to determine GHG reductions from proposed projects. However, applicants may use established protocols and methodologies (such as the California Air Resources Board's GHG quantification guidance⁵) but must document these approaches. Total estimated GHG emission reduction units should be expressed in metric tons of CO₂ equivalent (MTCO₂e). Evaluation and scoring of applications with regard to GHG emission reductions will be based on estimated annual GHG emission reductions achieved after full implementation of the project.

Quantification should calculate the net GHG reduction from the proposed activity. This includes calculating the emission reductions, but also any associated emissions increases resulting from the proposed project. For example, a waste diversion project may achieve GHG reductions due to reducing the waste stream, but may also increase GHG emissions due to adding vehicle trips to and from recycling or composting facilities. Quantification of net GHG reductions should include an overall equation:

(GHG reductions from project) – (any associated GHG increases) = net project GHG impact

Determining GHG reductions from projects addressing building energy use:

Electricity emission factors:

If electricity is provided by PG&E:

(number of megawatt hours saved) X .197 = MTCO₂e reduced⁶

If electricity is provided by a Community Choice Energy (CCE) program: contact the CCE for its 2015 emission factor for CO₂e, and multiply by the amount of megawatt hours reduced by the project. If a 2015 emission factor is not available, please indicate the year that corresponds with the emission factor used.

Natural gas:

(number of therms saved) X 0.005 = MTCO₂e reduced⁷

Determining GHG reductions from projects addressing waste management:

Waste Diversion

Compost emission reduction factors by feedstock:⁸

Food waste: (tons diverted) X 0.62 = MTCO₂e reduced

Yard trimmings: (tons diverted) X 0.44 = MTCO₂e reduced

Mixed organics: (tons diverted) X 0.56 = MTCO₂e reduced

For other waste reduction projects (recycling, waste diversion, etc.), identify the type(s) of waste reduced, and simply specify the amount (in tons) reduced for each waste type:

⁵ CARB, <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/quantification.htm>

⁶ This emission factor is the latest third-party verification for PG&E's 2015 delivered electricity.

⁷ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

⁸ California Air Resources Board, www.arb.ca.gov/cc/waste/cerffinal.pdf

aluminum, glass, plastic, yard waste, food waste, newspaper, office paper, cardboard. If you do not know or cannot estimate waste reduction by waste type, estimate an aggregated amount of waste reduced and indicate the type as “mixed waste.”

Determining GHG reductions from projects addressing transportation:

Transportation

On-road gasoline: (# gallons of gasoline saved) X 0.009 = MTCO₂e reduced⁹

On-road diesel: (# gallons of diesel saved) X 0.01 = MTCO₂e reduced¹⁰

Contact the Air District for additional guidance (climategrants@baaqmd.gov).

⁹ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

¹⁰ U.S. EPA, <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

APPENDIX C

Letter of Interest Instructions and Template

Instructions

Applicants planning on requesting more than \$300,000 in Climate Protection Grant Program funding *must* submit a Letter of Interest prior to submittal of their application. Applicants seeking less than \$300,000 may, but are not required to, submit a Letter of Interest if they would like Air District staff to review their project concept and provide feedback. This may be particularly helpful if an applicant is planning to collaborate with other public agencies on a joint application, is looking to be matched with potential partner agencies, or simply if an applicant wishes to receive initial feedback about the eligibility or potential competitiveness of a proposed project.

Letters of Interest will not be taken into consideration during the final evaluation and scoring of applications.

Deadline for submission of Letters of Interest is 5:00 pm on Friday, April 6, 2018.

Letters of Interest must follow the template format below. A Letter of Interest may only address one proposed project.

Letters of Interest must be submitted via the Air District's Procurement Portal following the instructions on page 9 of these Guidelines.

Appendix C – Continued

Letter of Interest Template

Format requirements: No longer than 2 pages, single spaced with 12-point font, no attachments. Submissions longer than 2 pages will not be reviewed.

Provide Contact Information

Full Name of Public Agency

Contact Name

Contact Phone

Contact Email

Indicate Program Category

Specify the grant program category for which you expect to apply:

- Reduce GHGs from Existing Buildings
- Fostering Innovative Strategies

Provide a Project Summary

Succinctly describe the proposed project. Include information about the problem to be addressed and how the proposed project would address the problem. List other known and relevant information about the project that will help Air District staff provide useful feedback.

Provide a Project Timeline

Include a timeline that outlines major tasks and deliverables.

Provide a Budget Summary

Indicate the expected amount of funding sought from the Air District, and list any other major funders. Provide a description of anticipated expenses for major budget categories such as programmatic costs, staff time, consultants, etc.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Teresa Barrett and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: March 6, 2017

Re: Update on the Air District's Basin-Wide Methane Strategy

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The latest science has underscored the need to reduce emissions of short-lived greenhouses gases (GHG) in order to avoid the worse impacts of climate change (IPCC, 2014). Methane (CH₄) is a potent but short-lived GHG. It is 86 times more potent than carbon dioxide (CO₂) and it has a much shorter atmospheric lifespan of 12 years (vs. 20 – 200 years for CO₂) (IPCC, 2014). Due to these factors, actions to reduce methane emissions can provide significant and immediate climate benefits while CO₂ emissions are steadily reduced to achieve long-term climate stability. Curbing methane emissions would also reduce emissions of its co-pollutants resulting in improvements to public health and further climate benefits.

In recognition of these benefits, the Air Resources Board (ARB) adopted a short-lived climate pollutant (SLCP) reduction strategy for the State of California in March 2017. The strategy addresses emissions of methane (and other SLCPs) not intended to be reduced by ARB's Cap-and-Trade program. The SLCP Strategy was developed to help the State achieve its goal of reducing methane (and other SLCP) emissions 40 percent by the year 2030, set by SB 1383. In the document, ARB emphasizes the critical role that air districts can play in the success of the State's strategy by implementing short-lived climate pollutant emission reduction strategies in their own jurisdictions.

Methane is the second leading GHG in the Bay Area Air District. In 2015, sources in the Air District emitted an estimated 10 million metric tons of CO₂ equivalent (MMT CO₂e), about 10 percent of the GHG inventory. According to a recent study commissioned by the Air District to evaluate its methane inventory (Fischer and Jeong, 2016), three source categories represent approximately 84 percent of these emissions. These categories are mainly related to human activities; landfills are the largest source category by far, accounting for 53 percent of these emissions, followed by livestock (16 percent), and natural gas production and distribution (15 percent). These emissions estimates carry a large uncertainty (50 percent or more), consistent with a recent study that suggests that methane emissions in the Air District's "bottom-up" inventory are 1.5 – 2 times lower than expected from top-down measurements (Fairley and

Fischer, 2015). This “methane gap” has been repeatedly observed for the U.S. and California regions, where top-down observations that account for ambient methane concentrations suggest that there are large, unaccounted methane emissions that are not reflected in the bottom-up inventories.

Given the importance and potential co-benefits of controlling methane, the Air District has included a comprehensive basin-wide Methane Strategy (measure SS16) as part of its 2017 Clean Air Plan.

DISCUSSION

The Methane Strategy seeks to better quantify and reduce emissions of methane, and its co-pollutants, from all sources throughout the Air District, in support of ARB’s methane reduction goals. The Methane Strategy will accomplish these objectives by combining research, rulemaking, collaborations with state agencies, and other efforts such as incentive programs.

Elements of this strategy will include: 1) intensifying efforts to improve the Air District’s methane emissions inventory, 2) developing a rule to prohibit significant methane releases throughout the Air District as a backstop while source-specific rules are developed, 3) collaborating with state agencies on their methane rules under development, 4) identifying cost effective and technically feasible methane emissions reduction opportunities throughout the Bay Area, and 5) considering the removal of methane exemptions from existing Air District rules when appropriate.

Staff will present an update on the Methane Strategy efforts, including progress on the Air District’s first methane rule (Regulation 13, Rule 2: Significant Methane Releases), and describe new initiatives such as the development of an Organics Recovery Strategy.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Idania Zamora
Reviewed by: Victor Douglas