

BAY AREA Air Quality

MANAGEMENT

DISTRICT

TECHNOLOGY IMPLEMENTATION OFFICE (TIO) STEERING COMMITTEE

COMMITTEE MEMBERS

Bud Beebe, Sacramento Municipal Utility District (Retired) Cindy Chavez, Air District Board of Directors (Committee Chair) Mark Cupta, Prelude Ventures Ahmad Ganji, San Francisco State Industrial Assessment Center Dave Hudson, Air District Board of Directors Janea Scott, California Energy Commission

THURSDAY JUNE 21, 2018 1:00 P.M. 1ST FLOOR, OHLONE ROOM #107 375 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.

Staff/Phone (415) 749-

2. PUBLIC COMMENT ON AGENDA MATTERS

Pursuant to Government Code Section 54954.3, the public has the opportunity to speak on any agenda item. All agendas for Council meetings are posted at the Air District, 375 Beale Street, San Francisco, California 94105 at least 72 hours before a meeting.

3. APPROVAL OF THE MINUTES OF MARCH 2, 2018

Clerk of the Boards/5073

The Committee will consider approving the draft minutes of the Technology Implementation Office Steering Committee meeting of March 2, 2018.

4. CLEAN CARS FOR ALL: NEW INCENTIVES PROGRAM FOR LOW INCOME CONSUMERS R. Chiang/8621 rchiang@baaqmd.gov

The Committee will receive an update on a new Air District program to provide incentives for low-income consumers in disadvantaged communities for hybrid, plug-in hybrid, or electric vehicles, or funding for public transportation.

5. MISSION AND CUSTOMER DISCOVERY

R. Chiang/8621 <u>rchiang@baaqmd.gov</u>

The Steering Committee will receive an update on the TIO mission and the results of interviews with stationary facilities and financing partners.

6. **PROPOSED LOAN RELATIONSHIP**

R. Chiang/8621 rchiang@baaqmd.gov

The Steering Committee will receive an update on the draft terms of a relationship with the IBank to offer loans for public sector facilities and loan guarantees for private sector facilities.

7. UPDATE ON TECHNOLOGY ASSESSMENT RESULTS R. Chiang/8621 rchiang@baaqmd.gov

The Steering Committee will receive an update on the assessment of potential technologies for their emissions reduction potential, technological, economic, and policy opportunities and barriers.

8. 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 District headquarters, 375 Beale Street, San Francisco, CA, 94105 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.

9. COMMITTEE MEMBER COMMENTS

Any member of the Steering Committee 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)

10. TIME AND PLACE OF NEXT MEETING

Monday, October 21, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 1:00 pm.

11. ADJOURNMENT

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT: 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 Technology Implementation Office Steering Committee" and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Committee meeting. Any correspondence received after that time will be presented to the Committee 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 <u>www.baaqmd.gov/accessibility</u> 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 <u>rsanders@baaqmd.gov</u>.

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

JUNE 2018

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Board of Directors Executive Committee (At the Call of the Chair) - CANCELLED AND RESCHEDULED TO MONDAY, JULY 23, 2018 AT 9:30 A.M.	Monday	18	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month) - CANCELLED	Wednesday	20	9:30 a.m.	1 st Floor Board Room
Board of Directors Technology Implementation Office Steering Committee (At the Call of the Chair)	Thursday	21	1:00 p.m.	1st Floor, Ohlone Room #107
Board of Directors Budget & Finance Committee (Meets on the 4 th Wednesday of each Month) - CANCELLED	Wednesday	27	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee (Meets on the 4 th Thursday of each Month) - CANCELLED	Thursday	28	9:30 a.m.	1 st Floor Board Room

JULY 2018

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month) - CANCELLED	Wednesday	4	9:30 a.m.	1 st Floor Board Room
Board of Directors Personnel Committee (At the Call of the Chair)	Thursday	12	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee (Meets on the 3 rd Monday of every other Month)	Monday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month) - CANCELLED	Wednesday	18	9:30 a.m.	1 st Floor Board Room
Board of Directors Climate Protection Committee (Meets on the 3 rd Thursday of every other Month) - CANCELLED	Thursday	19	9:30 a.m.	1 st Floor Board Room
Advisory Council Meeting (At the Call of the Chair)	Thursday	19	10:00 a.m.	1 st Floor Board Room
Board of Directors Executive Committee (At the Call of the Chair)	Monday	23	9:30 a.m.	1 st Floor Board Room

JULY 2018

TYPE OF MEETING	DAY	DATE	TIME	ROOM	
Board of Directors Budget & Finance Committee (Meets on the 4 th Wednesday of each Month) - CANCELLED	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109	
Board of Directors Ad Hoc Refinery Oversight Committee (At the Call of the Chair)	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109	
Board of Directors Mobile Source Committee (Meets on the 4 th Thursday of each Month)	Thursday	26	9:30 a.m.	1st Floor, Yerba Buena Room #109	
<u>AUGUST 2018</u>					

TYPE OF MEETING	DAY	DATE	<u>TIME</u>	<u>ROOM</u>
Board of Directors Special Meeting as The Sole Member of The Bay Area Clean Air Foundation (<i>At the Call of the Chair</i>) - CANCELLED	Wednesday	1	9:00 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month)	Wednesday	1	9:30 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month)	Wednesday	15	9:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee (Meets on the 4 th Wednesday of each Month)	Wednesday	22	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee (Meets on the 4 th Thursday of each Month)	Thursday	23	9:30 a.m.	1 st Floor Board Room

HL - 6/12/18 - 10:00 a.m.

G/Board/Executive Office/Moncal

- To: Chairperson Cindy Chavez and Members of the Technology Implementation Office Steering Committee
- From: Jack P. Broadbent Executive Officer/APCO
- Date: June 7, 2018

Re: <u>Approval of the Minutes of March 2, 2018</u>

RECOMMENDED ACTION

Approve the attached draft minutes of the Technology Implementation Office Steering Committee (Committee) meeting of March 2, 2018.

DISCUSSION

Attached for your review and approval are the draft minutes of the Technology Implementation Office Steering Committee meeting of March 2, 2018.

Respectfully submitted,

Jack P. Broadbent Executive Officer/APCO

Prepared by:Marcy HiratzkaReviewed by:Vanessa Johnson

Attachment 3A: Draft Minutes of the Committee Meeting of March 2, 2018

AGENDA: 3A – ATTACHMENT

Draft Minutes – Technology Implementation Office Steering Committee Meeting of March 2, 2018

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 Technology Implementation Office Steering Committee Meeting Friday, March 2, 2018

1. CALL TO ORDER – ROLL CALL

Technology Implementation Office (TIO) Steering Committee (Committee) Chairperson Cindy Chavez called the meeting to order at 10:04 a.m.

Present: Committee Chairperson, Cindy Chavez; Board of Directors Chairperson, David Hudson; and Members Bud Beebe, Mark Cupta, and Ahmad Ganji.

Absent: Member Janea Scott.

Also Present: None.

2. PUBLIC COMMENT ON AGENDA MATTERS

No requests received.

3. WELCOME

Jack Broadbent, Air District Executive Officer/Air Pollution Control Officer, welcomed the Committee members and Air District staff to the first meeting of the TIO Steering Committee, and presented key areas for Steering Committee input, the District's objectives, and the development of the TIO.

4. INTRODUCTIONS

Damian Breen, Deputy Air Pollution Control Officer of Technology, and Brian Bunger, District Counsel, explained elements and requirements of the Ralph M. Brown Act (Government Code sections 54950-54963), which is intended to provide public access to meetings of local government agencies in California. Chair Chavez asked everyone in attendance to introduce themselves, including all District staff.

5. OVERVIEW OF AIR DISTRICT AND TECHNOLOGY IMPLEMENTATION OFFICE

Mr. Breen introduced Dr. Ranyee Chiang, Technology Implementation Officer, who gave the staff presentation *Overview of Air District and TIO*, including: TIO Steering Committee members and their roles; Air District overview and roles; TIO team and its mission; currently commercialized

technologies are not enough to address all greenhouse gas (GHG) emissions; how we also need to mainstream technologies beyond the Bay Area; Bay Area facilities and GHG emissions sources; which technology categories are relevant across multiple industries; and Steering Committee input on emissions sources.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed funding sources for the TIO's various programs; protection of California industry and leakage prevention; the suggestion of utilizing ranges of temperatures that the public needs for various activities when prioritizing emissions sources; the suggestion of prioritizing wastewater treatment facilities as an industry that generates air emissions; the suggestion of creating criteria to prioritize emission sources around things that have the most impact; the suggestion that the District should take advantage of the opportunity to leverage both public and private investments and research to attract fragmented industries.

Committee Action:

None; receive and file.

6. TECHNOLOGY OPPORTUNITIES AND ASSESSMENT

Dr. Chiang gave the staff presentation *Technology Opportunities and Assessment*, including: technology options; technology assessment to identify technologies poised for impact and scale; and steering committee input on technologies.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed the pros and cons of various technologies that are poised to have significant greenhouse gas (GHG) reduction impacts, including: replacement of diesel generation with renewable energy sources, battery/fuel cell/hydrogen vehicles, and cogeneration synergies; the request that TIO Steering Committee members be given the opportunity to attend as many technology conferences as possible; the suggestion that the District engages with the Association of Bay Area Governments, the California Building Standards Commission, the U.S. Green Building Council, and fire safety leads regarding investment opportunities; the request that the Steering Committee members be sent the District's 2017 Clean Air Plan, as the Plan demonstrates initiatives prior to the creation of the TIO; and the opinion that the District could stand to improve communication with the business community and better structure its incentives.

Committee Action:

None; receive and file.

7. OVERVIEW OF AIR DISTRICT INCENTIVE PROGRAMS

Dr. Chiang gave the staff presentation *Overview of Air District Incentive Programs*, including: stationary incentive programs; results of stakeholder input – three isolated communities; benefits to partners with TIO; examples of existing finance programs for renewable energy and energy efficiency; example of TIO finance plan; considerations and criteria; steering committee input on financing program; mobile incentive programs; three TIO pillars and next steps; Air District electric vehicle (EV) incentive programs; California Air Resources Board (CARB) Enhanced Fleet Modernization Program Plus Up (\$5m over 2 years); Congestion Mitigation and Air Quality EV partnerships, outreach, evaluation (\$5m over 5 years); Steering Committee input on mobile programs and partnerships; next TIO Steering Committee meeting; and examples of Requests for Information.

Public Comments:

No requests received.

Committee Comments:

The Committee and staff discussed how the District anticipates finalizing its co-lending partnership negotiations with the California Infrastructure and Economic Development Bank, how the District perceives the potential technological and financial risk, and whether venture capitalists would be able to bridge any financial gap; sharing the public risk of failure, and which partner would assume the responsibility for equipment that becomes obsolete; the importance making decisions and progress in a timely manner so that opportunities are not wasted, as technology changes significantly and frequently; the request that finance and banking reports are submitted to the Committee members prior to the June 21, 2018 meeting; the request that District staff prepares focus groups/informational sessions to which Committee members can be assigned to discuss investment strategies; and the request that the Committee members are sent a copy of the Ralph M. Brown Act.

Committee Action:

None; receive and file.

8. COMMITTEE MEMBER COMMENTS

Member Ganji suggested that the District streamline its permit application process to make it more user-friendly for applicants.

9. PUBLIC COMMENT ON NON-AGENDA MATTERS

None.

10. TIME AND PLACE OF NEXT MEETING

Thursday, June 21, 2018, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 1:00 p.m.

11. ADJOURNMENT

The meeting adjourned at 12:01 p.m.

Marcy Hiratzka Clerk of the Boards

- To: Chairperson Cindy Chavez and Members of the Technology Implementation Office Steering Committee
- From: Jack P. Broadbent Executive Officer/APCO
- Date: June 7, 2018

Re: <u>Clean Cars for All: New Incentives Program for Low Income Consumers</u>

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

In March 2018, the Air District and California Air Resources Board (CARB) finalized an agreement to implement the Clean Cars for All Program in the Bay Area. Clean Cars for All provides incentives for low income households (up to 400% of the Federal Poverty Level) in disadvantaged communities to retire older, high-polluting vehicles and replace them with a newer, cleaner vehicle or with alternative transportation options (e.g. Clipper card). Eligible vehicles for purchase or lease include hybrid electric, plug-in hybrid, or electric vehicles.

By replacing older, higher-emitting vehicles and replacing them with cleaner cars or alternative transportation options, this program will reduce criteria pollutants in disadvantaged communities throughout the Bay Area. Clean Cars for All also supports the Bay Area and California's goals for reductions in greenhouse gas emission (80% below 1990 levels by 2050) and zero-and near-zero emission vehicle deployment (90% of the Bay Area passenger vehicles by 2050 and 5 million vehicles statewide by 2030).

The agreement with CARB provides \$5M for the two-year program, 5% of which may be used to subcontract with third party entities to address issues associated with participation of low-income consumers in disadvantaged communities. Air District staff are setting up the program components that are needed to open the program to the public, including:

- application system and website
- case managers to support applicants through the application and incentive process
- partnerships with dealers, vehicle scrappers, and alternative transportation programs
- materials for stakeholder engagement and outreach to disadvantaged communities

DISCUSSION

The Air District issued a Request for Proposals (RFP) for Case Managers to support Clean Cars for All on April 3, 2018. The RFP provides up to \$250,000 to provide one-on-one assistance and support to eligible consumers that apply to the Clean Cars for All Program. Two proposals were received by the May 17, 2018 deadline from GRID Alternatives and Opus Inspection, Inc. A panel of four Air District staff, from the Technology Implementation Office, Strategic Incentives Division and Community Engagement Office, and one community representative performed a thorough evaluation of proposals based on the criteria including Expertise, Approach, Cost, Conflicts of Interest, and whether the organization is a local or green business.

The panelists average scores are summarized in Table 1 below:

Criteria	Total	GRID	Opus
	Points	Alternatives	Inspection, Inc.
	Possible		
Expertise	30	24.2	21.6
Approach	30	24.4	18.6
Cost	30	25	17.8
Conflicts of Interests	5	4.4	5
Organization's Specialty Focus Area	5	2.5	0
Total points	100	80.5	63

Table 1. Scoring of Proposals

GRID Alternatives received the highest combined score of 80.5 for their proposal. GRID alternatives, headquartered in Oakland, CA is the country's largest nonprofit providing clean energy solutions to low-income families. GRID has over 10 years of experience providing multilingual and multicultural case management support for various grant programs in the Bay Area. Panelists noted that the strengths of this proposal included expertise in working with low income consumers in disadvantaged communities in the Bay Area, a thoughtful approach that included anticipated challenges and mitigation strategies, and a cost proposal that included significant cost sharing.

A summary of this TIO Steering Committee meeting will be presented to the Executive Committee on July 23, 2018. At that time, staff will recommend GRID Alternatives to the Board of Directors for a contract not to exceed \$250,000 to be case managers for Clean Cars for All in Fiscal Year Ending (FYE) 2019 and FYE 2020.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. Funding for this contract comes from a \$5M grant from the California Air Resources Board and is supported by the "California Climate Investments" (CCI) program.

Respectfully submitted,

Jack P. Broadbent Executive Officer/APCO

Prepared by:Tin LeReviewed by:Ranyee Chiang

To: Chairperson Cindy Chavez and Members of the Technology Implementation Office Steering Committee

From: Jack P. Broadbent Executive Officer/APCO

Date: June 7, 2018

Re: <u>Mission and Customer Discovery</u>

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

The Technology Implementation Office (TIO) mission is to accelerate climate action by cultivating partnerships between technology developers and customers and offering grants and loans for low-carbon technologies for the industrial and transportation sectors. Air District staff will provide updates on the customer discovery process, including the results of interviews with stationary facilities and potential financing partners.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent Executive Officer/APCO

Prepared by:Derrick Tang and Ranyee ChiangReviewed by:Damian Breen

- To: Chairperson Cindy Chavez and Members of the Technology Implementation Office Steering Committee
- From: Jack P. Broadbent Executive Officer/APCO

Date: June 7, 2018

Re: <u>Proposed Loan Relationship</u>

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

Air District staff will provide an update on the new relationship being developed between the Air District and the California Infrastructure and Economic Development Bank (IBank). This prospective relationship would enable loans and loan guarantees to be offered to Bay Area stationary facilities through the IBank's existing processes. Air District staff will provide matchmaking and technical evaluations that expand the IBank's customer base and push implementation of eligible greenhouse gas reduction technologies. The Air District funding will leverage IBank monies in a ratio as high as 10 to 1 to execute selected projects.

The goal of the Air District-IBank loan relationship is to create a revolving loan fund so that as project implementers pay back their loans, funding can be reinvested in additional greenhouse gas technology projects. When Air District and IBank staff finalize all the terms of this relationship, they will be presented to the Executive Committee and Board for approval.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent Executive Officer/APCO

Prepared by:Derrick Tang and Ranyee ChiangReviewed by:Damian Breen

- To: Chairperson Cindy Chavez and Members of the Technology Implementation Office Steering Committee
- From: Jack P. Broadbent Executive Officer/APCO
- Date: June 7, 2018

Re: Update on Technology Assessment Results

RECOMMENDED ACTION

None; receive and file.

DISCUSSION

The Technology Implementation Office has worked with other Air District Divisions and engaged a consultant to evaluate technology options for loan projects. The evaluation criteria include technology readiness, costs, technical and market barriers, and potential for emissions reductions. The product will be a matrix of technologies that the Air District can maintain and use to prioritize the technologies supported through the financing and collaboration program. Air District staff will share preliminary results of this study with the Steering Committee.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent Executive Officer/APCO

Prepared by:Derrick Tang and Ranyee ChiangReviewed by:Damian Breen