



BOARD OF DIRECTORS
STATIONARY SOURCE AND CLIMATE IMPACTS COMMITTEE

BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

COMMITTEE MEMBERS

LYNDA HOPKINS – CHAIR
KEN CARLSON
JOHN GIOIA
OTTO LEE
MARK ROSS

DAVID HAUBERT – VICE CHAIR
NOELIA CORZO
TYRONE JUE
MYRNA MELGAR
VICKI VEENKER

**MEETING LOCATION(S) FOR IN-PERSON ATTENDANCE BY
COMMITTEE MEMBERS AND MEMBERS OF THE PUBLIC**

**Bay Area Metro Center
1st Floor Yerba Buena Room
375 Beale Street
San Francisco, CA 94105**

**Office of Contra Costa County
Supervisor John Gioia
Conference Room
11780 San Pablo Ave., Suite D
El Cerrito, CA 94530**

**Office of Alameda County Supervisor
David Haubert
4501 Pleasanton Avenue
Pleasanton, CA 94566**

**Office of Santa Clara County
Supervisor Otto Lee
70 W Hedding St
East Wing, 10th Floor
San Jose, CA 95110**

**City of Palo Alto City Hall
250 Hamilton Ave., 7th Floor
Palo Alto, CA 94301**

THE FOLLOWING STREAMING OPTIONS WILL ALSO BE PROVIDED

These streaming options are provided for convenience only. In the event that streaming connections malfunction for any reason, the Stationary Source and Climate Impacts Committee reserves the right to conduct the meeting without remote webcast and/or Zoom access.

The public may observe this meeting through the webcast by clicking the link available on the air district's agenda webpage at www.baaqmd.gov/bodagendas.

Members of the public may participate remotely via Zoom at <https://bayareametro.zoom.us/j/82898748937>, or may join Zoom by phone by dialing (669) 900-6833 or (408) 638-0968. The Webinar ID for this meeting is: 828 9874 8937

Public Comment on Agenda Items: The public may comment on each item on the agenda as the item is taken up. Members of the public who wish to speak on a matter on the agenda will have two minutes each to address the Committee on that agenda item, unless a different time limit is established by the Chair. No speaker who has already spoken on an item will be entitled to speak to that item again.

The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The District is committed to maintaining a workplace free of unlawful harassment and is mindful that District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is *per se* disruptive to a meeting and will not be tolerated.

STATIONARY SOURCE AND CLIMATE IMPACTS COMMITTEE MEETING AGENDA

WEDNESDAY, SEPTEMBER 13, 2023

10:00 AM

1. Call to Order - Roll Call

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

2. Pledge of Allegiance

CONSENT CALENDAR (Item 3)

3. Approval of the Draft Minutes of the Stationary Source and Climate Impacts Committee Meeting of July 12, 2023.

The Committee will consider approving the draft minutes of the Stationary Source and Climate Impacts Committee Meeting of July 12, 2023.

ACTION ITEM(S)

4. United States Environmental Protection Agency (US EPA) Climate Pollution Reduction Grant

This is an action item for the Committee to consider recommending the Board of Directors authorize the Air District to accept a \$1 million grant from the US EPA Climate Pollution Reduction Grant Program; and authorize the Executive Officer/APCO to enter into all necessary agreements to accept, obligate, and expend program funds. This item will be presented by Abby Young, Climate Protection Manager, Planning and Climate Protection Division.

INFORMATIONAL ITEM(S)

5. Amendments to Regulation 8: Organic Compounds, Rule 8: Wastewater Collection and Separation Systems

This is an informational item to provide the Committee with an update on the draft Amendments to Regulation 8: Organic Compounds, Rule 8: Wastewater Collection and Separation Systems. This item will be presented by Robert Cave, Senior Air Quality Engineer in the Rules and Strategic Policy Division.

OTHER BUSINESS

6. Public Comment on Non-Agenda Matters

Pursuant to Government Code Section 54954.3, members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Stationary Source and Climate Impacts Committee. Members of the public will have two minutes each to address the Committee, unless a different time limit is established by the Chair. The Committee welcomes comments, including criticism, about the policies, procedures, programs, or services of the District, or of the acts or omissions of the Committee. Speakers shall not use threatening, profane, or abusive language which disrupts, disturbs, or otherwise impedes the orderly conduct of a Committee meeting. The District is committed to maintaining a workplace free of unlawful harassment and is mindful that District staff regularly attend Committee meetings. Discriminatory statements or conduct that would potentially violate the Fair Employment and Housing Act – i.e., statements or conduct that is hostile, intimidating, oppressive, or abusive – is per se disruptive to a meeting and will not be tolerated.

7. Committee Member Comments

Any member of the 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)

8. Time and Place of Next Meeting

Wednesday, October 11, 2023, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the committee members and members of the public will be able to either join in-person or via webcast.

9. Adjournment

The Committee meeting shall be adjourned by the 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

- 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 Air 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, Suma Peesapati, at (415) 749-4967 or by email at speesapati@baaqmd.gov.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

375 BEALE STREET, SAN FRANCISCO, CA 94105

FOR QUESTIONS PLEASE CALL (415) 749-4941

EXECUTIVE OFFICE: MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

SEPTEMBER 2023

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Advisory Council Meeting	Monday	11	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source and Climate Impacts Committee	Wednesday	13	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Mobile Source and Climate Impacts Committee - CANCELLED	Wednesday	13	1:00 p.m.	1 st Floor, Yerba Buena Room
Community Advisory Council Retreat (2-day event)	Thurs/Fri	14/15	11:00 a.m. / 8:00 a.m.	Sheraton Sonoma Wine Country Petaluma Hotel Ballroom 745 Baywood Drive Petaluma, CA 94954
Board of Directors Meeting	Wednesday	20	9:00 a.m.	1 st Floor Board Room
Board of Directors Community Equity, Health and Justice Committee	Wednesday	20	1:00 p.m.	1 st Floor Board Room

OCTOBER 2023

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Meeting	Wednesday	4	9:00 a.m.	1 st Floor Board Room
Board of Directors Legislative Committee	Wednesday	4	11:30 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	4	1:00 p.m.	1 st Floor Board Room
Board of Directors Stationary Source and Climate Impacts Committee	Wednesday	11	10:00 a.m.	1 st Floor, Yerba Buena Room
Board of Directors Mobile Source and Climate Impacts Committee	Wednesday	11	1:00 p.m.	1 st Floor, Yerba Buena Room
Board of Directors Meeting	Wednesday	18	9:00 a.m.	1 st Floor Board Room
Board of Directors Finance and Administration Committee	Wednesday	18	11:30 a.m.	1 st Floor Board Room

OCTOBER 2023

<u>TYPE OF MEETING</u>	<u>DAY</u>	<u>DATE</u>	<u>TIME</u>	<u>ROOM</u>
Board of Directors Community Equity, Health and Justice Committee	Wednesday	18	1:00 p.m.	1 st Floor Board Room

MB 9/06/2023 – 5:10 p.m.
G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Lynda Hopkins and Members
of the Stationary Source and Climate Impacts Committee

From: Philip M. Fine
Executive Officer/APCO

Date: September 13, 2023

Re: Approval of the Draft Minutes of the Stationary Source and Climate Impacts
Committee Meeting of July 12, 2023.

RECOMMENDED ACTION

Approve the draft minutes of the Stationary Source and Climate Impacts Committee Meeting of July 12, 2023.

BACKGROUND

None.

DISCUSSION

Attached for your review and approval are the draft minutes of the Stationary Source and Climate Impacts Committee Meeting of July 12, 2023.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Marcy Hiratzka
Reviewed by: Vanessa Johnson

ATTACHMENTS:

1. Draft Minutes of the Stationary Source and Climate Impacts Committee Meeting of July 12, 2023

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

Stationary Source & Climate Impacts Committee
Wednesday, July 12, 2023

DRAFT MINUTES

This meeting was webcast, and a video recording is available on the website of the Bay Area Air Quality Management District at www.baaqmd.gov/bodagendas

CALL TO ORDER

1. **Opening Comments:** Stationary Source and Climate Impacts Committee (Committee) Chairperson, Lynda Hopkins, called the meeting to order at 10:03 a.m.

Roll Call:

Present, In-Person (Bay Area Metro Center, 375 Beale Street, Yerba Buena Room, San Francisco, California, 94105): Committee Chairperson Lynda Hopkins; Vice Chairperson David Haubert; and Directors Noelia Corzo, Tyrone Jue, and Myrna Melgar.

Present, In-Person Satellite Location (Office of Contra Costa County Supervisor, John Gioia, Conference Room, 11780 San Pablo Ave., Suite D, El Cerrito, CA 94530): Board Chairperson John J. Bauters; and Directors John Gioia and Mark Ross.

Present, In-Person Satellite Location (City of Bloomington City Hall, 401 N. Morton Street, Dunlap Conference Room, #235, Bloomington, Indiana, 47404): Director Vicki Veenker.

Absent: Directors Ken Carlson and Otto Lee.

2. **PLEDGE OF ALLEGIANCE**

CONSENT CALENDAR

3. **APPROVAL OF THE DRAFT MINUTES OF THE STATIONARY SOURCE AND CLIMATE IMPACTS COMMITTEE MEETING OF JUNE 21, 2023**

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Corzo made a motion, seconded by Vice Chair Haubert, to **approve** the Minutes of the Stationary Source and Climate Impacts Committee Meeting of June 21, 2023; and the motion **carried** by the following vote of the Committee:

AYES: Bauters, Corzo, Gioia, Haubert, Hopkins, Jue, Melgar, Ross, Veenker.
NOES: None.
ABSTAIN: None.
ABSENT: Carlson, Lee.

INFORMATIONAL ITEMS

4. MID-YEAR REVIEW OF THE 2023 REGULATORY AGENDA

Elizabeth Yura, Director of Rules and Strategic Policy, gave the staff presentation *Mid-Year Review of the 2023 Regulatory Agenda* including: outcome; outline; requested action; how are objectives established; prioritization framework; proposed prioritization factors; what prioritization factors are key; review of 2023 objectives; and progress an proposed updates.

Public Comments

Public comments were given by Jan Warren, Interfaith Climate Action Network of Contra Costa County.

Committee Comments

The Committee and staff discussed how the Air District plans to develop outreach strategies to inform the public and stakeholders of a potential rulemaking to limit fugitive dust from construction activity, and the hope that such a rulemaking would set a precedent for local governments who are seeking to implement similar regulations; whether the socioeconomic analysis that the Air District implements, regarding building appliances rulemakings, will impact costs, the job market, and the food service industry; whether the current Rules and Strategic Policy Division has enough resources and capacity to maintain its anticipated work load, and the desire to see any needs be planned in advance, in consideration of the Air District’s budgeting and strategic planning; the composition of the Implementation Working Group’s Technical and Equity Subcommittees, regarding Rules 9-4 & 9-6 (Building Appliances); and the suggestion that the Air District and Richmond Area Path to Clean Air Community Steering Committee reviews Ostro, B., Spada, N. & Kuiper, H. The impact of coal trains on Particulate Matter (PM)_{2.5} in the San Francisco Bay area. *Air Qual Atmos Health* **16**, 1173–1183 (2023).

Committee Action

None; receive and file.

5. **REFINERY COMMUNITY AND FENCELINE MONITORING**

Dr. Kate Hoag, Assistant Manager of Ambient Air Quality Analysis, gave the staff presentation *Refinery Community and Fenceline Monitoring*, including: requested action; outline; current refinery air monitoring programs; other emissions and air monitoring; refinery fenceline monitoring background; status of refinery fenceline monitoring; refinery community air monitoring background; phases of monitoring site development; status of refinery community monitoring; opportunities to strengthen refinery community and fenceline monitoring; Senate Bill (SB) 674 (Refinery Air Pollution Transparency and Reduction Act); and challenges.

Public Comments

Public comments were given by Kevin Buchan, Western States Petroleum Association; Alicia G, Healthy Martinez: A Refinery Accountability Group; Heidi Taylor, Healthy Martinez: A Refinery Accountability Group; and Kathy Kerridge, Benicia Community Air Monitoring Program.

Committee Comments

The Committee and staff discussed how frequently fenceline monitoring plans required to be submitted by facilities; whether the Air District's rulemakings has informed the types of equipment that facilities invest in; the Refinery Air Pollution Transparency and Reduction Act's requirement of a real-time reporting of data to a website and access through an application programming interface, and whether that data would be publicly accessible, and whether the Act's required routine independent audits will be conducted in a manner that meets the Air District's standards; concerns that there is a lack of sufficient real-time monitoring and incident response at the refineries; the desire for newer technology, independent from the refineries, that would notify the public when a release/incident occurs; limitations with existing technology; the request for expedited timelines regarding developing and adopting rules and guidelines, creating new data systems, and identifying and developing monitoring stations; the status of the Board's Refinery and Fenceline Community Monitoring Ad Hoc Committee; the manner in which the Air District is briefed during incidents; the suggestion that recent incidents are adgendized at these meetings, in the future; and the suggestion that the Air District encourages the public to make use of hyper-local air quality sensors and data, offered by private companies.

Committee Action

None; receive and file.

OTHER BUSINESS

6. **PUBLIC COMMENT ON NON-AGENDA MATTERS**

No requests received.

7. **COMMITTEE MEMBER COMMENTS**

None.

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

Wednesday, September 13, 2023, at 10:00 a.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Stationary Source and Climate Impacts Committee members and members of the public will be able to either join in-person or via webcast.

9. **ADJOURNMENT**

The meeting was adjourned at 11:55 a.m.

Marcy Hiratzka
Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Lynda Hopkins and Members
of the Stationary Source and Climate Impacts Committee

From: Philip M. Fine
Executive Officer/APCO

Date: September 13, 2023

Re: United States Environmental Protection Agency (US EPA) Climate Pollution
Reduction Grant

RECOMMENDED ACTION

Recommend Board of Directors:

1. Authorize the Executive Officer/APCO to accept, obligate, and expend up to \$1,000,000 from the United States Environmental Protection Agency (US EPA) for a Climate Pollution Reduction Grant; and
2. Authorize the Executive Officer/APCO to enter into all agreements to accept, obligate, and expend this funding for amounts up to \$100,000.

BACKGROUND

Pursuant to the Inflation Reduction Act of 2022, on March 1, 2023, the US EPA announced the availability of funds under the Climate Pollution Reduction Grant program and solicited applications from eligible entities to develop and implement plans for reducing greenhouse gas (GHG) emissions and other harmful air pollution, particularly for the benefit of frontline communities. The grant program provides \$250 million in nationwide, non-competitive planning grants to states and metropolitan regions to develop regional greenhouse gas (GHG) reduction strategies and will be releasing \$4.6 billion in nationally competitive grants to implement measures in those plans in 2024.

The EPA has defined two metropolitan regions eligible for funding under this grant program in the Bay Area: the Central Bay (Alameda, Contra Costa, Marin, San Francisco and San Mateo counties) and the South Bay (Santa Clara and San Benito counties). The Air District led the development and submittal of an application in collaboration with a regional Advisory Work Group, consisting of staff representatives from the Air District, the Metropolitan Transportation Commission, the Association of Bay Area Governments (specifically, the Bay Area Regional Energy Network (BayREN)), the Bay Area Regional Collaborative, the counties of Alameda, Contra Costa, Marin, San Francisco and San Mateo, and the Cities of Oakland and Berkeley. Santa Clara County is leading the South Bay grant effort.

On July 31, 2023, the Air District received an award notice from the EPA awarding a \$1 million planning grant to lead the development of the Bay Area Regional Climate Action Plan as set forth in the Air District’s submitted application (see application and budget, attachments A and B).

DISCUSSION

The grant requires the development of two regional plans that incorporate input from and reflect the priorities of the region’s local governments and communities. The first of these is a Priority Climate Action Plan. This is a target plan, focusing on just a few priority sectors with a short list of high-priority GHG reduction measures. A high-level, qualitative analysis of how these measures may benefit frontline communities – low-income and disadvantaged communities that are marginalized, underserved, and overburdened by pollution – must be included in this plan, as well as a quantitative assessment of GHG and other pollutant reductions. Measures included in the Priority Climate Action Plan will be eligible to apply to nationally-competitive \$4.6 billion in implementation funding, with an application deadline expected in April 2024. The Priority Climate Action Plan is due on March 1, 2024.

After submittal of the Priority Climate Action Plan, which is a vehicle to access the implementation funding, the EPA is requiring development of a Comprehensive Climate Action Plan. The Comprehensive Plan must include a GHG inventory, GHG reduction targets and quantified emissions impacts (for GHGs, criteria pollutants, and toxic air contaminants) covering all sectors. It must also include a robust analysis of benefits and disbenefits to frontline communities, impacts to the regional workforce, and an assessment of funding availability and gaps.

In developing these regional climate plans, staff is working closely with the collaborative partners in the Advisory Work Group, and is building on climate planning and community engagement efforts that already exist, rather than creating new processes and efforts.

Staff will present on the organization of this project, outreach and technical work conducted to date, the project budget and timeline and next steps.

BUDGET CONSIDERATION/FINANCIAL IMPACT

\$293,000 of the grant funds from EPA is designated for Air District staff salary, benefits, travel, and other administrative costs and will augment the Air District’s FYE 2024 and FYE 2025 budgets. The remaining \$707,000 will be “pass-through” to contractors and sub-awardees. The grant includes no commitment of matching funds.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Wendy Goodfriend

ATTACHMENTS:

1. EPA Climate Pollution Reduction Grant Attachment A
2. EPA Climate Pollution Reduction Grant Attachment B
3. EPA Climate Pollution Reduction Grant Attachment C

ATTACHMENT A

Climate Pollution Reduction Grants – Planning Grants

Final San Francisco-Oakland-Berkeley Metropolitan Statistical Area’s Workplan

WORKPLAN SUMMARY:

Include a brief synopsis (~ 1/2-1 page) of the expected scope (e.g., covered geographic area) of the Priority Climate Action Plan (PCAP) and Comprehensive Climate Action Plan (CCAP); any known expected sectors of emissions to be targeted in the PCAP; connections to existing plans, commitments, regulations, and/or policies; expected grant deliverables, including but not limited to the PCAP, CCAP, and Status Report; timelines and budget. The summary should also include a brief discussion of planned stakeholder outreach, including with representatives of disadvantaged communities that may be affected by or benefit from plan development.

The San Francisco-Oakland-Berkeley MSA covers the following counties: Alameda, Contra Costa, Marin, San Mateo, and San Francisco. It is home to many local governments and regional agencies that are committed to ambitious and equitable climate action and has strong local and regional plans to help move the region to a zero-carbon future. Over 40 local governments in the MSA have adopted new climate action plans in the last five years. Preliminary feedback from local governments through a survey distributed in April 2023 indicated interest in building electrification and reduction in vehicle miles traveled (VMT) through mode shift and active transportation as priority areas for the PCAP, with support for scaling up existing GHG reduction projects, including those that serve Low-Income and Disadvantaged Communities (LIDACs). More engagement is necessary, however, before specific sectors and measures are selected. To do this, the Air District will work with the coordinating entities to identify and lift up the priorities of LIDACs, local governments and the public. The PCAP will leverage stakeholder engagement that is ongoing or was recently conducted by local and regional agencies within the metro region for climate action plans and related efforts, with some targeted engagement as needed. The CCAP engagement process will build upon the PCAP engagement with new engagement efforts for LIDACs co-created with local and regional community-serving organizations and existing community partners and networks, and for local governments and the public. The CCAP will leverage climate action plans from across the region – both at the local and regional levels - and focus on measures at the metro region scale, in coordination with the San Jose-Santa Clara-Sunnyvale MSA. In addition, the adoption of the update to Metropolitan Transportation Commission/Association of Bay Area Governments’ (MTC/ABAG) Plan Bay Area 2050, the region’s long-range transportation plan and Sustainable Community Strategy, is anticipated in Fall 2025, and will be integrated into the CCAP as feasible.

Grant deliverables include the Priority Climate Action Plan and supporting information (preliminary GHG inventory, GHG reductions per measure, LIDACs analysis, review of authority to implement), which will be submitted by March 1, 2024; the Comprehensive Climate Action Plan (comprehensive GHG inventory, GHG projections, GHG targets; GHG reductions per measure, benefits analysis, LIDACs analysis, intersection with available funding, review of authority to implement analysis, and workforce analysis), which will be completed by September 2025; and the Status Report and supporting information, which will be submitted by September 2027. The budget includes \$286,000 for staffing costs, \$467,000 for contractors/consultants, and \$240,000 for subawards.

RESPONSIBLE ENTITIES:

The Bay Area Air Quality Management District (Air District) will serve as the primary organization for coordinating grant activities. The main point of contact is Jamesine Rogers Gibson, Senior Advanced

ATTACHMENT A

Projects Advisor (jrogersgibson@baaqmd.gov, 415-749-8429) and the alternate point of contact is Abby Young, Manager of Climate Protection (ayoung@baaqmd.gov, 415-749-4754)

Coordinating Entities:

List other organizations expected to be involved in the deliverable development process. This group can include, but is not limited to, state agencies/offices, tribal nations, municipalities, regional planning organizations, air pollution control agencies, advisory committees, sub-awardees (such as academic institutions or non-profit organizations), or contractors (if already identified). EPA highly recommends including letters of commitment from these coordinating entities. Letters of commitment originally included in the NOIP can be incorporated by reference.

The Air District will work closely with the following agencies and organizations to develop deliverables for the PCAP, CCAP, and Status Report:

Regional Agencies

- Bay Area Regional Collaborative (BARC)
- Bay Area Regional Energy Network (BayREN)
- Metropolitan Transportation Commission/Association of Bay Area Governments (MTC/ABAG)

Local Governments

- City of Berkeley
- City of Oakland
- City and County of San Francisco
- Alameda County Waste Management Authority (StopWaste)
- Contra Costa County
- Marin County
- San Mateo County

A staff representative from each of the agencies and organizations listed above will participate in an Advisory Workgroup, which is described later in this workplan.

Contractors/Consultants

- All contractors/consultant(s) will be secured through a competitive RFP or RFQ process following Air District administrative procurement procedures. Contractors/consultants will assist with technical analyses as needed.

Other Agencies and Organizations

- MCE (formerly Marin Clean Energy) and additional Community Choice Aggregators (CCAs) in the Bay Area, as possible
- Subject matter expert NGOs, such as the Building Decarbonization Coalition
- Other local, regional, and state agencies as needed and appropriate

Letters of commitment from several of these entities are attached to this workplan. The Air District may work with other organizations as needed to complete this work plan.

DELIVERABLES DEVELOPMENT PROCESS:

Describe the proposed development process for each of the deliverables outlined in Section 8.4.2 “Planning Grant Deliverables” and Appendix 15.3 “Deliverable Requirements” of the program guidance for states, municipalities, and air pollution control agencies:

ATTACHMENT A

- *Priority Climate Action Plan (PCAP) – due March 1, 2024*
- *Comprehensive Climate Action Plan (CCAP) – due 2 years from award (summer-fall 2025)*
- *Status Report – due 4 years from award (summer-fall 2027)*

*Include the applicant’s general approach to developing all **required** elements of each deliverable; the entities responsible for completing each element; and a schedule with milestones for developing the deliverable. As appropriate, describe the development process for any **recommended** element. Describe the decision-making process and the roles of the coordinating jurisdictions, contractors, subawards, lead organization and the general public, especially low-income and disadvantaged communities. For each of the deliverables below, describe the anticipated approach to interagency and regional coordination, and public and stakeholder engagement. Deliverable-specific workplan details are discussed below.*

Grant Project start date: July 1, 2023

Grant project end date: June 30, 2027

The deliverables and elements in this workplan support EPA’s Fiscal Year (FY) 2022-2026 Strategic Plan Goal 1 (Tackle the Climate Crisis); Objective 1.1 (Reduce Emissions that Cause Climate Change).

Key Deliverable #1: Priority Climate Action Plan (PCAP):

PCAP Development Approach:

Describe how the lead organization and coordinating entities expect to develop the PCAP, including key participants, planned development activities, interim deliverables, and timeline. Reference each required PCAP element (i.e., preliminary GHG inventory, quantified GHG reduction measures, low-income and disadvantaged communities benefits analysis, and review of authority to implement) as well as any proposed recommended elements. As appropriate, describe how the lead organization and coordinating entities will consider previously developed climate action plans, GHG inventories, or analyses to inform the PCAP.

Key Participants

Key participants include those entities listed above as coordinating entities as well as local government staff from planning and sustainability departments from various cities and counties, community-serving organizations who work with LIDACs, LIDAC community members to the extent feasible given the accelerated timeline for PCAP completion, and other stakeholders and members of the public.

Preliminary GHG inventory

The Air District will develop the preliminary greenhouse gas (GHG) inventory at the county level for all counties covered by the MSA. A draft preliminary inventory will be available by October 2023 and final inventory completed by January 2024. The Air District’s most current GHG inventory uses a base year of 2015 (BAAQMD, 2017) and includes seven source sectors: transportation, industrial, electricity & cogeneration, commercial & residential, recycling & waste, agriculture & farming, and high GWP gases. GHG emissions have been estimated by source category and then aggregated into each of these source sectors. The approach for developing the emissions inventory is “production-based,” combining throughput or activity data and GHG emission factors to calculate total GHG emissions at a source category level. For most source sectors, carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) are covered and included as the quantified GHG pollutants; GHG emissions by county in the Bay Area in terms of CO₂-equivalents (CO₂-eq) are developed using 100-year time horizon global warming potentials (GWP) relative to CO₂ from the then latest Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6).

ATTACHMENT A

For the PCAP inventory, the Air District plans to prioritize an update to the GHG inventory for the transportation and for the commercial & residential sectors, using the best data available and reflecting a recent base year (e.g., 2022). For the industrial and electricity & cogeneration sectors, updates will be developed only for selected important source categories under each of the two sectors (e.g., oil refineries); for the other three sectors, the existing inventory will continue to serve as the basis.

Quantified GHG reduction measures

The Air District will lead the process to quantify GHG emissions reductions from measures included in the PCAP.

Initial measure identification: Staff will seek input from local governments, other regional and local agencies, partners including community-serving organizations, and the Advisory Workgroup to develop an initial set of measures. The Air District received preliminary feedback from local governments through a survey distributed in April 2023. The survey indicated interest in building electrification and reduction in vehicle miles traveled (VMT) through mode shift and active transportation as priority areas, with support for scaling up existing GHG reduction projects, including those that serve LIDACs. More engagement is necessary, however, before specific sectors and measures are selected. To do this, the Air District will work with the coordinating entities to reflect input from LIDACs, local governments and the public in measure selection, as explained in more detail in the PCAP Public and Stakeholder Engagement Section below. The Air District will utilize the results of the engagement efforts (as described below) and input (and concurrence) from the Advisory Workgroup to select the draft list of measures by end of September 2023, allowing for additional engagement and feedback if needed. The final list of measures will be selected by mid-November 2023.

GHG quantification: Once the initial measures are selected, Air District staff will work with the appropriate coordinating entities (and the support of a contractor/consultant, if needed) to collect the necessary information for the GHG emissions reduction quantification estimation. Air District staff will then quantify the reductions associated with each measure. Initial draft GHG emission reductions will inform the measure selection process, and final estimations of reductions associated with the final measures will be completed by end of December 2023.

Low-income and disadvantaged communities benefits analysis

The Air District will complete the LIDAC benefits analysis, in alignment with the EPA technical reference document, “Benefits Analysis: Low-Income and Disadvantaged Communities.”

Identifying LIDACs: Within the Bay Area, there are many different approaches to identifying LIDACs employed by different agencies, cities, and counties. The Advisory Workgroup will discuss existing approaches used by its members (as well as other cities in the region, if applicable) to identify LIDACs in the Bay Area and compare them to state and federal guidance and approaches for defining LIDACs, including the federal government’s Climate and Economic Justice Screening Tool (CEJST). The Advisory Workgroup will determine, based on this discussion and analysis, which approach or combination of approaches to use to identify LIDACs in the MSA for this effort. If the chosen approach is not the CEJST, the Air District will submit as part of the PCAP and CCAP a comparison of the Census tracts identified as LIDAC for our plans with those identified in the CEJST as LIDACs. This step will be completed at the beginning of the PCAP process.

LIDAC benefits analysis: The scope of the LIDACs benefits analysis will be informed by recently completed or ongoing LIDAC engagement. The Air District will then assess the potential benefits qualitatively to inform selection of the initial PCAP measures for LIDACs within the MSA. The analysis will also identify possible disbenefits from the GHG reduction measures and detail possible ways to track, minimize and address these disbenefits in the implementation of the measures. The LIDAC benefit

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analysis will begin early to inform measure selection, with the results for the final set of measures completed by mid-January 2024.

Review of authority to implement

The Air District will facilitate the review of existing authorities to implement PCAP measures. For each measure, the entity(ies) designated as implementation lead will: 1) provide their own assessment of whether they have the authority to implement the measure (and if not, who does) and 2) identify any milestone and/or barriers for obtaining new legislative or regulatory authority as needed. Advisory Workgroup members and coordinating entities will be available to advise, and the Air District will summarize the findings of the review by December 2023 for inclusion in the PCAP.

PCAP Interagency and Intergovernmental Coordination:

Describe how the lead organization intends to collaborate with coordinating entities, other appropriate agencies and offices within their own government and at various levels of government in the development and adoption of the PCAP. As applicable, discuss existing partnerships and how they will be engaged, the creation or expansion of interagency working groups, the creation of a shared electronic repository for background material and working drafts, and a meeting schedule. States must outline coordination with sub-state entities (e.g., municipalities, air pollution control agencies, regional planning organizations, etc.) and tribal nations during the development process as well as how these entities will be provided with the final PCAP in a timely manner for purposes of those entities applying for an implementation grant under the CPRG program.

Creation of the Advisory Workgroup: The Air District has established an Advisory Workgroup for this effort composed of representatives from regional agencies (Air District, BayREN, BARC, and MTC/ABAG), the cities named in the MSA (City of Berkeley, City of Oakland, and City and County of San Francisco) and the counties comprising the MSA (Alameda County, Contra Costa County, San Mateo County, and Marin County). The Advisory Workgroup will meet regularly to discuss and make decisions on key aspects of the project including coordination and engagement with other agencies, organizations and LIDACs, measure selection, and development of deliverables, as well as providing information and data and advising on technical analyses. (The Air District and regional partners' geography includes four other counties. As mentioned earlier, the Air District will coordinate with Santa Clara County who is leading another MSA's CPRG process. The other three counties, Napa, Solano, and Sonoma, will be engaged as local governments during the PCAP and CCAP to facilitate regional cohesion and collaboration.)

While the PCAP is being developed, the Advisory Workgroup will meet monthly, with additional meetings as needed. This group will meet bi-monthly during the development of the CCAP, with ad hoc meetings as needed.

Advisory Workgroup members will brief their decision makers as appropriate. For example, BARC staff will brief the BARC Regional Governing Board, which includes representatives from the commissions and boards of the BARC member agencies (including the Air District, MTC/ABAG, and the Bay Conservation & Development Commission) and non-voting members from partner agencies. Similarly, regional agency staff will brief their respective Boards of Directors and county and city staff will brief their council members and supervisors, as needed.

The Advisory Workgroup will develop a shared communications plan to ensure common messaging and outreach materials to local agencies and organizations, LIDACs, and other stakeholders on the project and the upcoming EPA implementation funding opportunity. It will agree upon an online platform that its members, other staff at their respective agencies, and other partners can access to share background materials, draft work products, and other information.

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Internal coordination: The Air District will regularly update key internal partners on progress in PCAP development and strategically seek input. To do this, Air District staff will utilize and build upon existing inter-divisional structures and processes, such as are often used for rule development, and inter-agency collaborative efforts like the development and implementation of AB 617 local community health protection plans, which are developed as local air quality improvement plans for overburdened communities in close partnership with the people who live in those communities. Staff will provide regular briefings to the Executive Office.

PCAP Public and Stakeholder Engagement:

Explain how the lead organization will involve stakeholder groups and the public in the PCAP development process. Describe the approach to identifying low-income and disadvantaged communities consistent with federal government guidance, conducting meaningful engagement with those communities, and identifying and including those communities' priorities in the PCAP.

The Air District will lead public and stakeholder engagement for the PCAP, working closely with county partners, BayREN, BARC, MTC/ABAG, CCAs, and community-serving organizations. To the greatest extent possible, public and stakeholder engagement will rely upon established avenues for reaching local government staff, LIDACs, and other key stakeholders.

The PCAP will leverage stakeholder engagement that is ongoing or was recently conducted within the metro region for climate action plans and related efforts. Many local governments have already conducted robust and meaningful engagement to inform development of their climate actions plans and related efforts. In addition, the Air District has been engaged for several years in intensive community-based planning on air quality issues through the State of California's AB 617 process, which develops local air quality improvement plans for overburdened communities in close partnership with the people who live in those communities. This effort would like to avoid "meeting fatigue" among the previously engaged stakeholders and minimize the degree to which these stakeholders feel like they are being asked the same questions repeatedly. The time allowed for public and stakeholder engagement on the PCAP does not facilitate the thoughtful type of community-informed and community-driven engagement that Bay Area stakeholders are used to and expect from public agencies nor the meaningful engagement that is needed to ensure equitable outcomes. Given this, the PCAP will rely as much as possible on recently completed engagement efforts and established avenues for engagement, such as the Air District's Community Advisory Council (CAC) and AB617's collaborative infrastructure. The Air District will engage its CAC on the PCAP. The CAC uses environmental justice principles to provide guidance to the Board of Directors on programs and policies that impact overburdened communities within the Air District's jurisdiction to ensure the fair treatment of all persons living in those communities. It is composed of representatives from the overburdened communities throughout the Air District's nine county jurisdiction. The Air District will compile this information to identify key takeaways, including priorities for LIDACs.

As it is possible that not all LIDACs in the MSA have been engaged thoroughly through these existing efforts there may be a need for targeted engagement. Targeted engagement will leverage existing networks and venues and local and regionally serving community organizations that can help close those gaps and ensure that additional communities have the opportunity to provide meaningful input. Targeted engagement will follow established best practices for engagement, such as those included in the MTC/ABAG and Air District's respective public participation plans. Engagement will begin in July 2023 and will conclude by January 2024 for the PCAP. The results of LIDAC engagement will inform measure selection and the scope of the LIDAC benefits analysis.

- **Preliminary list of existing information from Advisory Workgroup members and partners**
 - Air District community-facing programs staff will provide relevant information

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- City of Oakland’s engagement results for its Equitable Climate Action Plan and General Plan, Zero Emission Vehicle Action Plan, and Building Electrification and Urban Greening efforts
- City of San Francisco’s engagement results for its Climate Action Plan
- MTC/ABAG’s Plan Bay Area 2050 Engagement Report and the Community-based Transportation Planning (CBTP) Program Evaluation. MTC/ABAG conducted extensive engagement for Plan Bay Area 2050, the region’s long-range transportation plan/sustainable communities strategy adopted unanimously by MTC and ABAG boards in October 2021.
- BARC’s Climate Adaptation Technical Assistance Mapping Engagement Summary
- StopWaste convenes a network of food recovery organizations serving low-income communities
- We anticipate access to results of other engagement efforts from cities and counties as we begin the PCAP process.

- **Preliminary list of existing engagement channels**

Type of outreach	Entity	Established Engagement Channels
LIDACs	Air District	Community Advisory Council The Building Appliance Rules Implementation Working Group, which brings together a diversity of stakeholders to develop recommendations to support smooth and equitable implementation of a recently adopted Air District rule on zero NO _x appliances AB617 relationships
	MTC/ABAG	Network/events as part of Plan Bay Area 2050+ Community-Based Transportation Plans efforts
	Cities and Counties	Development (ongoing or recent) of EJ elements to their climate action plans and general plans
	Oakland	In addition to the efforts mentioned above, work with place-based community organizations and local Food Recovery Organizations, like food banks and churches, on climate-related initiatives
	Berkeley	Climate Equity Collaborative (dependent on funding availability)
	BayCAN	BARC relationship with BayCAN and its Equity Working Group
	Contra Costa County	Potential Transformative Climate Communities planning grant
	MCE	Community Power Council
Local Government Staff	BARC	Relationship with BayCAN
	BayREN	Quarterly forums, county meetings
	MTC	Network/events as part of Plan Bay Area 2050+

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		Community-based Transportation Plans efforts
	Contra Costa County	CCC Sustainability Exchange Ongoing outreach as part of County’s Climate Action Plan adoption
	San Mateo County	RICAPS monthly countywide agency working group C/CAG Resource Management and Climate Protection Committee
	Alameda County	StopWaste monthly Technical Advisory Group
	Marin County	Marin Clean Energy Partnership
	Air District	Participation in regular meetings of county-based climate/sustainability staff
Other relevant stakeholders	Air District	The Building Appliance Rules Implementation Working Group
	MTC	Network/events as part of Plan Bay Area 2050+ Community-based Transportation Plans efforts Current MTC/Air District collaboration on transportation electrification programs (EVs and charging infrastructure)

The Air District will partner with the entities above and others who have volunteered their existing engagement efforts to design and deliver the specific engagement approach for their communities and/or local government partners. Time permitting, Air District staff will be present at these events to provide project background, co-facilitate, and answer questions related to the overall CPRG project.

Additional engagement options under consideration for local government and the public include broader meetings and some targeted smaller invite-only dialogue sessions with, for example, community-serving organizations and partners and local governments, which would be a mix of virtual and in-person meetings. Materials for these events will build upon those developed by the Advisory Workgroup. The Air District will work with BayREN, a regional collaborative led by the Association of Bay Area Governments, as a sub-awardee to support these activities.

The Air District will also develop a webpage to share information about the planning effort, including background information and a FAQ document that responds to questions and comments received. The PCAP will be posted online on this webpage the same day it is submitted to the EPA - March 1, 2024 at the latest - with notifications of its availability shared that same day through Advisory Workgroup members’ local and regional agency networks and with participants in the PCAP engagement. There will also be an email account (climate@baaqmd.gov) to which the public can send their comments and suggestions.

Key Deliverable #2: Comprehensive Climate Action Plan:

CCAP Development Approach:

Describe how the lead organization and coordinating entities expect to develop the CCAP, including key participants, planned development activities, interim deliverables, and timeline. Reference each required CCAP element:

- *GHG Inventory*

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- *GHG Emissions Projections*
- *GHG Reduction Targets*
- *Quantified GHG Reduction Measures*
- *Benefits Analysis for the full geographic scope and population covered by the plan*
- *Low Income/ Disadvantaged Communities Benefits Analysis*
- *Review of Authority to Implement*
- *Intersection with Other Funding Availability, and*
- *Workforce Planning Analysis*

As appropriate, describe how the lead and coordinating entities will consider previously developed climate action plans (both state or sub-state plans); existing GHG inventories, projections, or targets; jurisdictional policies or commitments; implementation feasibility and limitations, including workforce challenges; and/or how the PCAP will inform the CCAP. Applicants are encouraged to provide details on how GHG and co-pollutant (criteria air pollutant and toxic air pollutant) reduction potential, costs, benefits, or other metrics will be calculated if known at the time of application.

Key Participants

Key participants include those entities in the list of coordinating entities as well as local government staff from planning and sustainability departments from various cities and counties, community-serving organizations who work with LIDACs, members of these communities to the extent feasible, and other stakeholders who will be engaged in CCAP development.

GHG Inventory, GHG Emissions Projections, and GHG Reduction Targets

The Air District will develop the CCAP GHG inventory by updating GHG emissions across all applicable source categories and then aggregating emissions estimates by county for each of the seven source sectors. The inventory will use a recent base year (e.g., 2022) and reflect regional growth projections to the year 2050. In addition, carbon sequestration (carbon sinks) will be incorporated in the CCAP inventory, utilizing information provided through the state's inventory of carbon sinks. A draft inventory for all significant sources and carbon sinks will be completed by June 2024, and the final combined inventory will be completed by October 2024.

The engagement process will inform target setting for the CCAP, which will ultimately be decided by the Advisory Workgroup. The goals will be non-binding and considered in comparison to the state's GHG reduction targets of more than 40% below 2030 and carbon neutrality by 2045. Goals in the CCAP will not replace or override locally adopted GHG reduction targets.

The Air District will also develop GHG Emission Projections for 2030 and 2045, consistent with the GHG Reduction Target years. Draft projections will be completed by September 2024 with final projections available by November 2024. The Air District will replicate and expand GHG projections from prior work (BAAQMD, 2017) wherein the Air District developed GHG emission projection scenarios by combining and quantifying the impact of concurrent and in-place regulations and policy measures to develop sector-specific regional growth profiles (see [CALGAPS model](#)). The estimates involved disaggregating growth and control factors by sector, and/or developing regional growth and control profiles by emissions category under different scenarios. The Air District will apply our acquired knowledge from application of the CALGAPS model to develop projection profiles internally.

Quantified GHG reduction measures

The Air District will lead the process to quantify GHG emissions reductions from measures in the CCAP that will build upon the measures in the PCAP.

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Initial measure identification: Air District staff will partner with BayREN as a sub-awardee to research and gather measures from local Climate Action Plans from jurisdictions in the MSA and identify where metro-wide regional coordination might have added value. They will also identify best practices for incorporating equity and maximizing other benefits. The Air District and BayREN will convene targeted conversations with a select number of local government staff to better understand barriers to successfully implementing local plans and where regional coordination might help. (This research will begin in 2023 and may inform the PCAP, depending on results from the initial local government engagement. In addition, ideas highlighted through PCAP engagement efforts that are not included in the final PCAP may be considered as potential measures for the CCAP.) The result will be a distilled summary of research.

The Air District will refine the measure selection process used for the PCAP with input from the Advisory Workgroup and stakeholder engagement. The Air District, with concurrence from the Advisory Workgroup, will develop an initial list of measures for further engagement. More details on the engagement are described in the CCAP Public and Stakeholder Engagement section below. The engagement process may also include a visioning process, which would help inform measure selection. Draft measures will be selected by October 2024. Final measures will be informed by engagement, technical analyses, and implementation feasibility such as existing authorities and potential barriers (workforce limitations, etc.). Final selection of measures will be completed by early May 2025.

GHG quantification: Once the initial measures are selected, Air District staff will work with the appropriate coordinating entities (and the support of a contractor/consultant, if needed) to collect the necessary information for the GHG emissions reduction quantification estimation. Air District staff will then quantify the GHG reductions associated with each measure, providing draft GHG emission reductions to inform the measure selection process, and estimated reductions for the final list of measures completed by end of May 2025.

Benefits Analysis for the full geographic scope and population covered by the plan

The Air District, with support from a contractor/consultant, will align with the technical reference document, “Benefits Analysis; Co-Pollutant Impacts,” to analyze the benefits of the measures across the full geographic scope and population covered by the plan, including co-pollutant reductions, with results provided for the measures in aggregate for each county. The specific methodology will be developed by the contractor, with technical input from Air District staff. The scope of the benefits to be analyzed will be agreed upon with the Advisory Workgroup and informed by stakeholder engagement. The draft benefits analysis, including co-pollutant reductions from the draft list of measures, will be completed in January 2025, and the final benefits analysis will be available by early June 2025.

Low-income and disadvantaged communities benefits analysis

The Air District will complete the LIDACs benefits analysis in alignment with the EPA technical reference document, “Benefits Analysis: Low-Income and Disadvantaged Communities,” using the same definition of LIDACs as employed for the PCAP, if still appropriate. The Air District will consult with local and regional community-serving organizations to determine if the scope of LIDAC benefits and disbenefits in the PCAP should be amended. Staff will also assess whether the approach to assessing benefits (and disbenefits) of the GHG measures to LIDACs for the PCAP should be followed or modified for the CCAP. As with the PCAP, the LIDACs benefits analysis will detail possible ways to track, minimize and address these disbenefits in the implementation of the measures. The draft benefits analysis, including co-pollutant reductions from the draft list of measures, will be completed in January 2025, and the final benefits analysis will be available by early June 2025.

Review of authority to implement

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The Air District will facilitate the review of existing authorities to implement CCAP measures using the same approach as for the PCAP. Air District staff will summarize the findings of the review exercise by January 2025 for inclusion in the CCAP.

Intersection with Other Funding Availability

The Air District will analyze federal, state, local, and private funding availability, with the support of a contractor/consultant and with input from and building upon analyses already completed by coordinating entities. This work may begin earlier to inform the PCAP measure selection. The analysis for the draft list of CCAP measures will be completed by January 2025, and assessment for the final measures in early June 2025.

Workforce Planning Analysis

The Air District will lead the development of the workforce planning analysis, with support from a contractor/consultant. The analysis will highlight potential workforce shortages that could keep the metro area from achieving goals in the CCAP and describe possible solutions and partners. It will build upon work being done by local jurisdictions (including the cities of Oakland, Berkeley, and San Francisco), StopWaste, and possibly economic development associations in the MSA. The final analysis results will be completed by early June 2025.

CCAP Interagency and Intergovernmental Coordination:

Describe how the lead organization intends to collaborate with coordinating entities, other appropriate agencies and offices within their own government, and at various levels of government, in the development and adoption of the CCAP. As applicable, discuss existing partnerships and how they will be engaged, the creation or expansion of interagency working groups, the creation of a shared electronic repository for background material and working drafts, and a meeting schedule.

The Advisory Workgroup, composed of representatives from regional agencies (Air District, BayREN, BARC, and MTC/ABAG); the cities named in the MSA (City of Berkeley, City of Oakland, and City and County of San Francisco); the counties comprising the MSA (Alameda County, Contra Costa County, San Mateo County, and Marin County); potentially three neighboring counties (Napa County, Sonoma County, and Solano County); and the County of Santa Clara as available, will continue to meet regularly to discuss and make decisions on key issues related to development of the CCAP. This group will meet bi-monthly during the development of the CCAP, with ad hoc meetings as needed. Members of the Advisory Workgroup will continue to brief their decision makers as appropriate.

As appropriate, the CCAP will incorporate measures and technical, economic, and policy analyses from the update to Plan Bay Area 2050. Plan Bay Area 2050 (PBA2050) is the region's long range transportation plan/Sustainable Communities Strategy. Plan Bay Area 2050 seeks to create a more affordable, connected, diverse, healthy, and vibrant region by advancing 35 strategies related to transportation, housing, the economy, and the environment over the next 30 years. PBA2050 exceeds its goal of reducing per capita GHG emissions from light duty vehicles by 19 percent. In summer 2023, MTC/ABAG will initiate an update to PBA2050, with adoption anticipated in fall 2025.

The Advisory Workgroup will revise the shared communications plan that was created for the PCAP as needed to ensure common messaging and outreach materials to local governments, LIDACs, and other stakeholders on the CCAP planning effort. The group will continue to utilize a shared online platform for access to share background materials, draft work products, and other information.

Internal coordination: The Air District will continue to regularly update key internal partners and the Executive Office on progress in PCAP development and strategically seek input. To do this, Air District

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staff will review the utility of the approach from the PCAP and refine it as necessary to improve the CCAP development process.

CCAP Public and Stakeholder Engagement:

Describe how the lead organization and coordinating entities intend to conduct meaningful engagement with affected communities in the development of the CCAP, especially with low income and disadvantaged communities. At a minimum, describe the method for identifying interested and/or affected stakeholder groups (especially low-income and disadvantaged communities, consistent with federal government guidance), the proposed approach for seeking continuous input, and methods of communicating key decisions and overall progress, providing education, and sharing information with stakeholders both during and following CCAP development.

Describe how early and frequent engagement with low-income and disadvantaged communities (described in Section 8.4.3 of the program guidance) will occur and how that engagement will inform the required elements of the CCAP, especially the low-income and disadvantaged communities benefits analysis.

The Air District, with support from BayREN as a sub-awardee, will work with regional and local community-serving organizations (and with input from Advisory Workgroup members) to co-develop an engagement approach, that can be implemented by local, county, and regional coordinating entities as appropriate to provide the meaningful engagement that is needed to ensure equitable outcomes. The preliminary concepts outlined here might therefore change by the time work on the CCAP begins. The Air District envisions community-serving organizations playing a significant role in LIDAC engagement, along with regional agencies, cities and counties who have established strong relationships with community-based organizations.

To the extent possible and appropriate, engagement on the CCAP will begin during the PCAP development phase, for example by including key questions in PCAP engagement efforts. CCAP engagement will therefore build upon the PCAP engagement. The Air District will collaborate with BayREN as a sub-awardee and partners, including community-serving organizations, to assess the utility and ultimate successfulness of the overall approach for PCAP engagement to determine whether the same venues and networks and similar engagement options should continue to be utilized for the CCAP, and identify new partners and engagement options for inclusion. The Air District will engage its Community Advisory Council (CAC) on the CCAP. The Air District, BayREN, and partners will work with the Advisory Workgroup to update messaging and communications developed during the PCAP accordingly. The CCAP will rely on the same approach as the PCAP to identify LIDACs and work through the Advisory Workgroup network, other partners, and allies to identify interested local government stakeholders.

Public and stakeholder engagement on the CCAP may begin with a visioning process for the region for 2030 and 2045, that also assesses opportunities and assets, as well as barriers, to achieve the vision, and engagement on the GHG target selection, both of which would occur in late-April or May 2024. Engagement to seek input on revised criteria for measure selection, especially from LIDAC communities, would occur in June/July 2024. Engagement to seek feedback on the draft and final lists of measures for the CCAP will begin in September 2024 and conclude in early April 2025, with engagement on the CCAP beginning in June 2025 and concluding in August 2025.

Depending on interest, the CCAP engagement process may include a process to identify the most meaningful performance indicators for tracking success of the CCAP, in addition to quantifying GHG reductions. The results would inform an update, in consultation with the Advisory Workgroup and EPA, of the performance measures and outcomes for the CCAP.

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The Air District will maintain and update the web page dedicated to the CPRG project where key partners, stakeholders, and the public can access information (available in multiple languages) on the project process, timeline, and documents, as well as the availability of “office hours” when staff is available to answer questions and receive input. Partners, stakeholders, and the public will be encouraged to provide continuous input through the climate@baaqmd.gov email address. The Air District will update the FAQ document created for the PCAP to respond to questions and comments received on the CCAP. In partnership with the Advisory Workgroup and BayREN as a sub-awardee, the Air District will develop materials to help educate and/or build capacity in stakeholders to meaningfully participate in the CCAP process.

Key Deliverable #3: Status Report

Status Report Development Approach:

Describe how the lead organization and coordinating entities expect to develop the Status Report, including key participants, planned development activities, interim deliverables, and timeline. The workplan must reference each required element:

- *Implementation Status of GHG Reduction Measures*
- *Updated Benefits Analysis for the full geographic scope and population covered by the plan*
- *Updated Low-Income and Disadvantaged Communities Benefits Analysis*
- *Updated Review of Authority to Implement*
- *Review of Intersection with Other Funding Availability*
- *Updated Workforce Planning Analysis, and*
- *Next Steps/Future Budget/Staffing Needs*

Describe the approach to completing any recommended elements, as appropriate. Applicants are strongly encouraged to describe in their workplan how they will update the GHG inventory and projected GHG emissions for this deliverable. This information may help to inform updates to CCAP measures.

Key Participants

Key participants include those entities in the list of coordinating entities as well as the local government and regional staff who can assist with reporting on the status of the PCAP and CCAP and GHG reductions measures.

Implementation Status of GHG Reduction Measures

The Air District will conduct a survey of all entities listed as responsible for implementing GHG reduction measures in the CCAP to determine whether each measure is still under development or has already been fully implemented. For measures still under development, the Air District will identify responsible parties and work with them to provide a description of which actions are needed to implement the measure completely. The Status Report will include key metrics from the CCAP to describe progress made through fully implemented measures. This status update will be completed by February 2027.

Updated Benefits Analysis for the full geographic scope and population covered by the plan

The Air District will provide an updated benefits analysis for the measures that have been implemented since submission of the CCAP and measures that are ready for implementation. It may include a revised inventory and forecasts, if new information warrants it. The updated analysis will be completed by March 2027.

Updated LIDAC Benefits Analysis

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The Air District will provide an updated LIDAC benefits analysis for the measures that have been implemented since submission of the CCAP and measures that are ready for implementation. The updated analysis will be completed by March 2027.

Updated Review of Authority to Implement

By February 2027, the Air District will update information in the CCAP using a similar approach as employed for this assessment in the CCAP and in concert with the implementation status update. The update will focus on CCAP measures that did not have clear authority outlined in the CCAP and measures that lost authority since CCAP submission. The Advisory Workgroup will provide additional input, if possible, on new authorities that are needed to advance the work.

Review of Intersection with Other Funding Availability

The Air District will build upon the approach employed for the CCAP to identify new funding available to help implement the CCAP. This analysis will be completed by March 2027.

Updated Workforce Planning Analysis

The Air District will assess progress made in building the workforce necessary to implement the CCAP and ongoing workforce development challenges that slow progress toward the climate goals, focusing specifically on new data from CCAP measures implemented since plan submission, and data gathered for other measures that are ready for implementation. This analysis will be complete by January 2027.

Next Steps/Future Budget/Staffing Needs

The Air District will identify key next steps to continue implementation of the CCAP beyond June 2027 along with relevant budget information to support those steps, including staffing needs. This assessment will be completed by April 2027.

Status Report Interagency and Intergovernmental Coordination:

Describe how the lead organization intends to collaborate with coordinating entities, other appropriate agencies and offices within their own government and at various levels of government in the development of the Status Report and any associated updated elements.

The Advisory Workgroup will continue beyond submission of the CCAP to USEPA, with quarterly meetings to discuss updates and continued collaboration on implementation of the CCAP (and PCAP projects that received implementation funding from the CPRG, if applicable), and share new opportunities and information.

Status Report Public and Stakeholder Engagement:

Describe how stakeholders, including the public and disadvantaged communities, will be engaged in the identification of next steps and funding opportunities. Explain how stakeholders will be informed about the status of the PCAP and CCAP elements and the plan to continue engagement beyond the grant period.

The Air District will provide periodic updates on the status of the PCAP and CCAP elements through its web site and through regular, established engagement avenues that the Air District and coordinating entities have with local governments, LIDACs, and the public. As measures in the CCAP are implemented, the Air District will work with the appropriate coordinating entities and implementing

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agencies to inform local governments, LIDACs, and the public through these channels about the best ways to learn how to engage in the measure-specific implementation process.

ENVIRONMENTAL RESULTS, OUTPUTS, AND OUTCOMES:

Define the short-term and long-term environmental outputs and outcomes expected to be achieved under the CPRG planning grant (cooperative agreement) and the process for tracking and measuring progress toward achieving those expected outputs and outcomes.

See separate table (We will share these with you in a separate document)

SCHEDULE:

Provide a detailed schedule covering the 4-year duration of the planning grant (cooperative agreement). Key milestones and completion deadlines should be provided for each deliverable and reporting requirement. The schedule may include reporting and Quality Assurance Project Plan (QAPP) development, key meetings, public outreach, procurement and hiring deadlines, and completion of required workforce planning analysis and any legal or policy review.

See separate schedule.

REPORTING:

As described in Section 12.6 of the program guidance, quarterly reporting is required. These reports cover work status, work progress, difficulties encountered, financial expenditures, preliminary data results if applicable, anticipated future activities, and any changes of key personnel. The development of these reports should be included in the schedule and accounted for in the budget.

The Air District is responsible for developing these reports and will work with Advisory Workgroup members, partners, contractors/consultants, and sub-awardees to collect the necessary information for the reports in a timely manner.

BUDGET:

Submit a consolidated narrative budget for each year of the four-year grant award that adheres to federal budget categories and guidelines along with the workplan. (See <https://www.epa.gov/sites/default/files/2019-05/documents/applicant-budget-development-guidance.pdf> for more details on budget categories.) The budget must itemize the proposed costs related to:

- *personnel and fringe benefit costs for staff (including administrative, financial, technical, and legal support) to develop the deliverables;*
- *any anticipated travel, which may include in-person attendance to an annual Climate Innovation Team meeting if participating;*
- *equipment (tangible items with useful life of more than one year and a cost of \$5,000 or more per unit);*
- *supplies (e.g., office supplies, modeling software, printing, etc.);*
- *contractual procurements;*
- *other direct costs, which may include subawards, if applicable; and,*
- *indirect charges*

ATTACHMENT A

The budget should include the cost for each year and for the entire four-year grant period. The budget should be developed consistent with the details provided in the deliverable discussions above.

See the separate budget

QUALITY ASSURANCE PLAN

(Air District did not speak to QAPP in our online submission. We are waiting on more guidance from EPA.)

CLIMATE INNOVATION TEAMS (OPTIONAL):

A lead organization or any coordinating entity interested in participating in one or more Climate Innovation Teams (as described in Section 14.2 of the program guidance) should express their interest and (if known) any specific topical areas they are most interested in. (Please also identify any specific topics of interest that are not included in the examples in Section 14.2.) Costs associated with participation in the Climate Innovation Teams, such as travel to a potential annual meeting of the teams, should be included in the workplan budget.

Air District staff and staff from BayREN are interested in participating in the Climate Innovations Teams. Topics of particular interest include:


- Economic development and workforce
- Analyzing LIDAC benefits
- Consumption-based inventories
- Performance indicators beyond tons of GHG reduced that demonstrate progress towards carbon neutrality in ways that resonate with residents and electeds (e.g., number of EVs, percent of housing stock that is electrified, etc)

ATTACHMENT B

Climate Pollution Reduction Grants – Planning Grants

Final San Francisco-Oakland-Berkeley Metropolitan Statistical Area’s Budget

LINE ITEM	AMOUNT
Air District Staff	\$286,000
<i>salary + fringe + admin</i>	
Travel	\$ 7,000
<i>1 staff to attend national EPA event</i>	
Sub-award (ABAG/BayREN)	\$240,000
Contracts	\$467,000
GHG emissions analysis	\$200,000
Co-pollutant analysis	\$189,000
Workforce analysis	\$ 50,000
Funding assessment	\$ 28,000
TOTAL	\$1,000,000

	U.S. ENVIRONMENTAL PROTECTION AGENCY Grant Agreement		GRANT NUMBER (FAIN): 98T73201 MODIFICATION NUMBER: 0 PROGRAM CODE: 5D	DATE OF AWARD 07/06/2023	
			TYPE OF ACTION New		MAILING DATE 07/11/2023
			PAYMENT METHOD: ASAP		ACH# 90049
			RECIPIENT TYPE: Special District		
RECIPIENT: Bay Area AQMD 375 Beale St., Suite 600 San Francisco, CA 94105 EIN: 94-1622746			PAYEE: Bay Area AQMD 375 Beale Street, Suite 600 San Francisco, CA 94105		
PROJECT MANAGER		EPA PROJECT OFFICER		EPA GRANT SPECIALIST	
Abby Young 375 Beale Street, Suite 600 San Francisco, CA 94105 Email: ayoung@baaqmd.gov Phone: 415-749-4754		Asia Yeary 75 Hawthorne Street, AIR-1-1 San Francisco, CA 94105 Email: yeary.asia@epa.gov Phone: 808-342-5675		Veronica Adams Grants Branch, MSD-6 75 Hawthorne Street San Francisco, CA 94105 Email: adams.veronica@epa.gov Phone: 415-972-3677	
PROJECT TITLE AND DESCRIPTION Inflation Reduction Act - Climate Pollution Reduction Planning See Attachment 1 for project description.					
BUDGET PERIOD		PROJECT PERIOD		TOTAL BUDGET PERIOD COST	
07/01/2023 - 06/30/2027		07/01/2023 - 06/30/2027		\$1,000,000.00	
				TOTAL PROJECT PERIOD COST	
				\$1,000,000.00	
NOTICE OF AWARD					
<p>Based on your Application dated 05/30/2023 including all modifications and amendments, the United States acting by and through the US Environmental Protection Agency (EPA) hereby awards \$1,000,000.00. EPA agrees to cost-share <u>100.00%</u> of all approved budget period costs incurred, up to and not exceeding total federal funding of \$1,000,000.00. Recipient's signature is not required on this agreement. The recipient demonstrates its commitment to carry out this award by either: 1) drawing down funds within 21 days after the EPA award or amendment mailing date; or 2) not filing a notice of disagreement with the award terms and conditions within 21 days after the EPA award or amendment mailing date. If the recipient disagrees with the terms and conditions specified in this award, the authorized representative of the recipient must furnish a notice of disagreement to the EPA Award Official within 21 days after the EPA award or amendment mailing date. In case of disagreement, and until the disagreement is resolved, the recipient should not draw down on the funds provided by this award/amendment, and any costs incurred by the recipient are at its own risk. This agreement is subject to applicable EPA regulatory and statutory provisions, all terms and conditions of this agreement and any attachments.</p>					
ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)			AWARD APPROVAL OFFICE		
ORGANIZATION / ADDRESS			ORGANIZATION / ADDRESS		
U.S. EPA, Region 9 , U.S. EPA, Region 9 Grants Branch, MSD-6 75 Hawthorne Street San Francisco, CA 94105			U.S. EPA, Region 9, Air and Radiation Division, AIR-1 R9 - Region 9 75 Hawthorne Street San Francisco, CA 94105		
THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY					
Digital signature applied by EPA Award Official Carolyn Truong - Grants Management Officer				DATE 07/06/2023	

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$0	\$1,000,000	\$1,000,000
EPA In-Kind Amount	\$0	\$0	\$0
Unexpended Prior Year Balance	\$0	\$0	\$0
Other Federal Funds	\$0	\$0	\$0
Recipient Contribution	\$0	\$0	\$0
State Contribution	\$0	\$0	\$0
Local Contribution	\$0	\$0	\$0
Other Contribution	\$0	\$0	\$0
Allowable Project Cost	\$0	\$1,000,000	\$1,000,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.046 - Climate Pollution Reduction Grants	Clean Air Act: Sec. 137	2 CFR 200, 2 CFR 1500 and 40 CFR 33

Fiscal									
Site Name	Req No	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	2309M9S043	2231	E4SFX	09M2	000ACGXJ1	4132	-	-	\$1,000,000
									\$1,000,000

Budget Summary Page

Table A - Object Class Category (Non-Construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$200,000
2. Fringe Benefits	\$60,000
3. Travel	\$7,000
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$467,000
7. Construction	\$0
8. Other	\$240,000
9. Total Direct Charges	\$974,000
10. Indirect Costs: 10.00 % Base personnel and fringe only	\$26,000
11. Total (Share: Recipient <u>0.00</u> % Federal <u>100.00</u> %)	\$1,000,000
12. Total Approved Assistance Amount	\$1,000,000
13. Program Income	\$0
14. Total EPA Amount Awarded This Action	\$1,000,000
15. Total EPA Amount Awarded To Date	\$1,000,000

Attachment 1 - Project Description

This agreement provides funding under the Inflation Reduction Act (IRA) to Bay Area Air Quality Management District (BAAQMD) to develop or update existing regional climate mitigation plans to address greenhouse gas (GHG) emissions and reduction measures throughout the entire metropolitan area and to conduct meaningful engagement with low-income and disadvantaged communities and coordinate with geographically proximate tribes as appropriate.

This grant agreement provides full federal funding in the amount of \$1,000,000.00.

Pre-award costs have been approved back to 7/1/23.

In general, activities include the development, updating, and evaluation of plans to reduce climate pollution (i.e., to reduce GHG emissions and/or enhance carbon sinks). Specific activities include developing a greenhouse gas inventory, quantifying greenhouse gas reduction measures, conducting a low income and disadvantaged communities benefit analysis, review of authority to implement and stakeholder engagement.

Three key deliverables will be produced and submitted over the course of the four-year program period, including: a Priority Climate Action Plan (PCAP), due March 1, 2024; a Comprehensive Climate Action Plan (CCAP), due two years from the date of the award; and a Status Report, due at the close of the grant period. The expected outcomes include a PCAP and CCAP that identifies: tons of pollution (GHGs and co-pollutants) reduced over the lifetime of the measures; tons of pollution (GHGs and co-pollutants) reduced annually; and tons of pollution (GHGs and co-pollutants) reduced with respect to low-income and disadvantaged communities. The intended beneficiaries include San Francisco-Oakland-Berkeley Metropolitan Statistical Area residents and visitors, including low-income and disadvantaged community members.

There will be a subaward to BayREN (<https://www.bayren.org/>) for participation in the Advisory Working Group (AWG); coordinating work of AWG members to engage local governments and LIDACs for the PCAP and CCAP processes. The subawardee will work in partnership with BAAQMD to: assess measures in current plans, design and convene workshops to develop projects for implementation funding, co-design the CCAP engagement processes and provide funding to cities and counties to support their participation in the AWG and engagement efforts.

Administrative Conditions

General Terms and Conditions

The recipient agrees to comply with the current EPA general terms and conditions available at:

<https://www.epa.gov/grants/epa-general-terms-and-conditions-effective-october-1-2022-or-later>.

These terms and conditions are in addition to the assurances and certifications made as a part of the award and the terms, conditions, or restrictions cited throughout the award.

The EPA repository for the general terms and conditions by year can be found at: <https://www.epa.gov/grants/grant-terms-and-conditions#general>.

A. Federal Financial Reporting (FFR)

For awards with cumulative project and budget periods greater than 12 months, the recipient will submit an annual FFR (SF 425) covering the period from "project/budget period start date" to **June 30** of each calendar year to the EPA Finance Center in Research Triangle Park, NC. The annual FFR will be submitted electronically to rtpfc-grants@epa.gov no later than **September 30** of the same calendar year. Find additional information at <https://www.epa.gov/financial/grants>. (NOTE: The grantee must submit the Final FFR to rtpfc-grants@epa.gov within 120 days after the end of the project period.)

B. Procurement

The recipient will ensure all procurement transactions will be conducted in a manner providing full and open competition consistent with 2 CFR Part 200.319. In accordance with 2 CFR Part 200.324, the grantee and subgrantee(s) must perform a cost or price analysis in connection with applicable procurement actions, including contract modifications.

C. MBE/WBE Reporting, 40 CFR, Part 33, Subpart E (EPA Form 5700-52A)

The recipient agrees to submit a "MBE/WBE Utilization Under Federal Grants and Cooperative Agreements" report (EPA Form 5700-52A) annually for the duration of the project period. The current EPA Form 5700-52A with instructions is located at <https://www.epa.gov/grants/epa-grantee-forms>

This provision represents an approved exception from the MBE/WBE reporting requirements as described in 40 CFR Section 33.502.

Reporting is required for assistance agreements where funds are budgeted for procuring construction, equipment, services and supplies (including funds budgeted for direct procurement by the recipient or procurement under subawards or loans in the "Other" category) with a cumulative total that exceed the Simplified Acquisition Threshold (SAT) currently set at \$250,000 (the dollar threshold will be automatically revised whenever the SAT is adjusted; See 2 CFR Section 200.1), including amendments and/or modifications. All procurement actions are reportable when reporting is required, not just the portion which exceeds the SAT.

Recipients with expended and/or budgeted funds for procurement are required to report annually whether the planned procurements take place during the reporting period or not. If no budgeted procurements take place during the reporting period, the recipient should check the box in section 5B when completing the form.

When completing the annual report, recipients are instructed to check the box titled "annual" in section 1B of the form. For the final report, recipients are instructed to check the box indicated for the "last report" of the project in section 1B of the form. For section 2B, the Region 9 EPA DBA Coordinator is Alexandra Perez, email: GrantsRegion9@epa.gov, phone:

415-972-3826.

The annual reports are due by October 30th of each calendar year and the final report is due within 120 days after the end of the project period, whichever comes first. The recipient will submit the MBE/WBE report(s) and/or questions to GrantsRegion9@epa.gov and the EPA Grants Specialist identified on page 1 of the award document.

Programmatic Conditions

a. Performance Reporting and Final Performance Report

Performance Reports - Content: In accordance with 2 CFR 200.329, the recipient agrees to submit performance reports that include brief information on each of the following areas: 1) A comparison of actual accomplishments to the outputs/outcomes established in the assistance agreement work plan for the period; 2) The reasons why established outputs/outcomes were not met; and 3) Additional pertinent information, including, when appropriate, analysis and explanation of cost overruns or high-unit costs. Additionally, the recipient agrees to inform EPA as soon as problems, delays, or adverse conditions which will materially impair the ability to meet the outputs/outcomes specified in the assistance agreement work plan are known.

Performance Reports - Frequency: Quarterly performance reports are required to be submitted electronically to the EPA Project Officer within 30 calendar days after the reporting period (every three-month period). Quarterly reports are due according to the following schedule. If a due date falls on a weekend or holiday, the report will be due on the next business day. If a project start date falls within a defined reporting period, the recipient must report for that period by the given due date unless otherwise noted. This quarterly reporting schedule shall be repeated for the duration of the award agreement.

July 1 – September 30 Reporting Period: report due date October 30 (note: In year 1, this reporting period should begin at the project start date)

October 1 – December 31 Reporting Period: report due date January 30

January 1 – March 31 Reporting Period: report due date April 30

April 1 – June 30 Reporting Period: report due date July 30

The recipient must submit the final performance report no later than 120 calendar days after the end date of the period of performance.

Subaward Performance Reporting: The recipient must report on its subaward monitoring activities under 2 CFR 200.332(d). Examples of items that must be reported if the pass-through entity has the information available are:

1. Summaries of results of reviews of financial and programmatic reports.
2. Summaries of findings from site visits and/or desk reviews to ensure effective subrecipient performance.
3. Environmental results the subrecipient achieved.
4. Summaries of audit findings and related pass-through entity management decisions.
5. Actions the pass-through entity has taken to correct deficiencies such as those specified at 2 CFR 200.332(e), 2 CFR 200.208 and the 2 CFR Part 200.339 Remedies for Noncompliance.

b. Deliverables and Requirements

Municipalities and Air Pollution Control Agencies that accept an award are required to produce and electronically submit the following three deliverables to EPA by the dates specified:

1.) By March 1, 2024, a Priority Climate Action Plan (PCAP), which is a narrative report that includes a focused list of near-term, high-priority, implementation ready measures to reduce Greenhouse Gas (GHG) pollution and an analysis of GHG emissions reductions that would be achieved through implementation. These initial plans can focus on a specific sector or selected sectors, and do not need to comprehensively address all sources of GHG emissions and sinks in the jurisdiction. The PCAP must include: a GHG inventory; quantified GHG reduction measures; a low-income and disadvantaged communities benefits analysis; and a review of authority to implement.

2.) A Comprehensive Climate Action Plan (CCAP), due 2 years from the date of the award. The CCAP is a narrative report that should touch on all significant GHG sources/sinks and sectors present in a state or metropolitan area, establish near-term and long-term GHG emission reduction goals, and provide strategies and identify measures to achieve those goals. Each CCAP must include: a GHG inventory; GHG emissions projections; GHG reduction targets; quantified GHG reduction measures; a benefits analysis for the full geographic scope and population covered by the plan; a low-income and disadvantaged communities benefits analysis; a review of authority to implement; a plan to leverage other federal funding; and a workforce planning analysis.

3.) A Status Report, due at the closeout of the 4-year grant period. This report should include the implementation status of the quantified GHG reduction measures included in the CCAP; any relevant updated analyses or projections supporting CCAP implementation; and next steps and future budget/staffing needs to continue CCAP implementation.

Climate plans for metropolitan areas should also be developed with regional coordination as much as possible, and applicants are encouraged to coordinate with geographically proximate tribes as appropriate. In all cases, the lead organization for a state or metropolitan area PCAP funded through the CPRG program must make the PCAP available to other entities by March 1, 2024 for their use in developing an implementation grant application.

MSA lead organizations must involve stakeholder groups and the public in the process for developing the PCAP and CCAP. Potential stakeholders include urban, rural, and underserved or disadvantaged communities as well as the general public, governmental entities, federally recognized tribes, Port Authorities, labor organizations, community and faith-based organizations, and private sector and industry representatives.

c. Cybersecurity

(a) The recipient agrees that when collecting and managing environmental data under this assistance agreement, it will protect the data by following all applicable State or Tribal law cybersecurity requirements.

(b) (1) EPA must ensure that any connections between the recipient's network or information system and EPA networks used by the recipient to transfer data under this agreement, are secure. For purposes of this Section, a connection is defined as a dedicated persistent interface between an Agency IT system and an external IT system for the purpose of transferring information. Transitory, user-controlled connections such as website browsing are excluded from this definition.

If the recipient's connections as defined above do not go through the Environmental Information Exchange Network or EPA's Central Data Exchange, the recipient agrees to contact the EPA Project Officer (PO) no later than 90 days after the date of this award and work with the designated Regional/Headquarters Information Security Officer to ensure that the connections meet EPA security requirements, including entering into Interconnection Service Agreements as appropriate.

This condition does not apply to manual entry of data by the recipient into systems operated and used by EPA's regulatory programs for the submission of reporting and/or compliance data.

(2) The recipient agrees that any subawards it makes under this agreement will require the subrecipient to comply with the requirements in (b)(1) if the subrecipient's network or information system is connected to EPA networks to transfer data to the Agency using systems other than the Environmental Information Exchange Network or EPA's Central Data Exchange. The recipient will be in compliance with this condition: by including this requirement in subaward agreements; and during subrecipient monitoring deemed necessary by the recipient under 2 CFR 200.332(d), by inquiring whether the subrecipient has contacted the EPA Project Officer. Nothing in this condition requires the recipient to contact the EPA Project Officer on behalf of a subrecipient or to be involved in the negotiation of an Interconnection Service Agreement between the subrecipient and EPA.

d. Competency Policy

In accordance with Agency Policy Directive Number FEM-2012-02, [Policy to Assure the Competency of Organizations Generating Environmental Measurement Data under Agency-Funded Assistance Agreements](#), the Recipient agrees, by entering into this agreement, that it has demonstrated competency prior to award, or alternatively, where a pre-award demonstration of competency is not practicable. Recipient agrees to demonstrate competency prior to carrying out any activities under the award involving the generation or use of environmental data. Recipient shall maintain competency for the duration of the project period of this agreement and this will be documented during the annual reporting process. A copy of the Policy is available online at <https://www.epa.gov/sites/production/files/2015-03/documents/competency-policy-aaia-new.pdf> or a copy may also be requested by contacting the EPA Project Officer for this award.

e. Public and Media Events

The Recipient agrees to notify the EPA Project Officer listed in this award document of public or media events related to activities accomplished as a result of this agreement, and provide the opportunity for attendance and participation by federal representatives with at least ten (10) working days' notice.

f. Quality Assurance

Authority: Quality Assurance applies to all assistance agreements involving environmental information as defined in [2 C.F.R. § 1500.12](#) Quality Assurance.

The recipient shall ensure that subawards involving environmental information issued under this agreement include appropriate quality requirements for the work. The recipient shall ensure sub-award recipients develop and implement Quality Assurance (QA) planning documents in accordance with this term and condition; and/or ensure sub-award recipients implement all applicable approved QA planning documents.

Quality Assurance Project Plan (QAPP): Prior to beginning environmental information operations, the recipient must:

- i. Develop a QAPP (for existing environmental information),
- ii. Prepare QAPP in accordance with the current version of [EPA QA/R-5: EPA Requirements for Quality Assurance Project Plans](#).
- iii. Submit the document for EPA review, and
- iv. Obtain EPA Quality Assurance Manager or designee approval.

For Reference:

- [Quality Management Plan \(QMP\) Standard](#) and [EPA QA/R-5: EPA Requirements for Quality Assurance Project Plans](#); contain quality specifications for EPA and non-EPA organizations and definitions applicable to these terms and conditions.
- [EPA QA/G-5: Guidance for Quality Assurance Project Plans](#), Appendix C provides a QAPP Checklist.
- [EPA's Quality Program](#) website has a [list of QA managers](#), and [Non-EPA Organizations Quality Specifications](#).
- The Office of Grants and Debarment [Implementation of Quality Assurance Requirements for Organizations Receiving EPA Financial Assistance](#).

g. Use of logo

If the EPA logo is appearing along with logos from other participating entities on websites, outreach materials, or reports, it must **not** be prominently displayed to imply that any of the recipient or subrecipient's activities are being conducted by the EPA. Instead, the EPA logo should be accompanied with a statement indicating that the grantee received financial support from the EPA under an Assistance Agreement. More information is available at: <https://www.epa.gov/stylebook/using-epa-seal-and-logo#policy>

--End of Document--

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Lynda Hopkins and Members
of the Stationary Source and Climate Impacts Committee

From: Philip M. Fine
Executive Officer/APCO

Date: September 13, 2023

Re: Amendments to Regulation 8: Organic Compounds, Rule 8: Wastewater Collection
and Separation Systems

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

Air District staff is developing amendments to Regulation 8: Organic Compounds, Rule 8: Wastewater Collection and Separation Systems (Rule 8-8) to further address volatile organic compound and methane emissions (total organic compound emissions) from wastewater collection and separation systems at refineries in the Bay Area. Further reductions of total organic compounds are needed to ensure progress towards attainment of the ambient air quality standards, reduce climate pollutant emissions, and reduce public health impacts from toxic compounds and ozone exposure.

California Assembly Bill (AB) 617 requires each air district that is in nonattainment for one or more air pollutants to adopt an expedited schedule for implementation of Best Available Retrofit Control Technology (BARCT) by the earliest feasible date, but not later than December 31, 2023. In 2018, the Air District adopted the Expedited BARCT Implementation Schedule, which identified potential rule development projects to evaluate and implement BARCT at industrial sector facilities subject to California Greenhouse Gas Cap-and-Trade Requirements. As part of the Expedited BARCT Implementation Schedule, refinery wastewater treatment systems were identified as a potential source of substantial reductions of organic compound emissions, as well as toxic air contaminants such as benzene, toluene, ethylbenzene, and xylene. In addition, BARCT has not been evaluated for these sources since Rule 8-8 was last amended over 17 years ago. The purpose of this current effort is to further limit emissions of volatile organic compounds, toxic air contaminants, and methane (a potent greenhouse gas) from refinery wastewater treatment operations.

DISCUSSION

Staff evaluated emissions and potential emission reduction options from wastewater collection and separation systems as part of the Air District’s internal Organics Emission Estimation Project. The knowledge assessment phase of that project was completed in March 2021, and staff found that studies using optical remote sensing suggest that measured total VOC emission rates may be significantly larger than the emission rates reported in recent refinery emission inventories. These high emissions are likely from secondary treatment systems (often referred to as the “backend” of the system) and can fluctuate and be highly episodic, which makes accurate measurement and characterization of emissions highly challenging. Based on the findings, further evaluation would be needed to improve estimations of emissions and better understand control potentials for these secondary treatment sources.

Based on the uncertainty of emissions estimates and emission reduction strategies related to the secondary treatment systems, staff developed more stringent emissions standards on the refinery wastewater collection and separation systems and enhanced monitoring of secondary treatment systems to increase understanding of backend emissions. Staff initiated additional stakeholder engagement with potentially affected facilities to ensure that the best available source information and emissions estimates are considered. Staff also presented an update on this rule development effort to the Stationary Source and Climate Impacts Committee in September 2022.

In May 2023, staff published Draft Amendments to Rule 8-8 and a Preliminary Staff Report. Comments were accepted on these documents through June 7, 2023.

Key points of the draft amendments to Rule 8-8 included:

- Improvements to Leak Detection and Repair (LDAR) Requirements:
 - Revise leak standard from wastewater collection and separation systems to include methane along with other organic compounds (total organic compounds)
 - Vapor tight emissions standard of 500 parts per million by volume
 - Strengthen monitoring protocol for repairing leak excesses
 - Expand reporting requirements for major leaks
- Modifications to Improve Enforceability:
 - Strengthen identification coding requirements for wastewater collection and separation components
- Limit Discharges into System:
 - Limit discharge of free phase organic liquid streams into collection system
 - Prohibit discharge of free phase organic liquid streams into wastewater system
- Updates to Testing and Monitoring Methods:
 - Update requirements to reflect most updated technology and methods for total organics detection
- Expansion of Sampling and Monitoring Requirements:
 - Require sampling and monitoring to improve characterization of emissions related to secondary treatment systems

During the comment period, staff received three comments addressing the following topics:

- Questions and clarifications on enforcement of requirements
 - Inclusion of methane in leak detection measurements
 - Discharge prohibitions and limitations
 - Compliance timeline upon adoption
 - Inclusion of new test methods and source testing requirements
- Questions regarding how odors will be addressed in rule enforcement and compliance

Air District staff anticipate releasing proposed amendments to Rule 8-8 and a supporting regulatory package for public review and comment in the fourth quarter of 2023 including CEQA documentation and socioeconomic impact analysis as appropriate. Air District staff will solicit comments on these materials and plans to present the proposed amendments to Rule 8-8 for consideration by the Air District Board of Directors at a Public Hearing in the fourth quarter of 2023.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None.

Respectfully submitted,

Philip M. Fine
Executive Officer/APCO

Prepared by: Jennifer Lam
Reviewed by: Elizabeth Yura

ATTACHMENTS:

None