

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

Policy, Grants, and Technology Committee Meeting
Wednesday, October 16, 2024

APPROVED 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:** Policy, Grants, and Technology Committee (Committee) Vice Chairperson, Sergio Lopez, called the meeting to order at 1:01 p.m.

Roll Call:

Present, In-Person (Bay Area Metro Center (375 Beale Street, 1st Floor Board Room, San Francisco, California, 94105): Committee Vice Chairperson Sergio Lopez; and Directors Noelia Corzo, Juan González III, and Katie Rice.

Present, In-Person Satellite Location (Napa County Administration Building, Crystal Conference Room, 1195 Third Street, Suite 310, Napa, CA 94559): Director Joelle Gallagher.

Present, In-Person Satellite Location (Office of Contra Costa County Supervisor Ken Carlson, 2255 Contra Costa Blvd., Suite 202, Pleasant Hill, CA 94523): Director Ken Carlson.

Absent: Committee Chairperson Vicki Veenker; and Directors Margaret Abe-Koga and Erin Hannigan.

2. **PLEDGE OF ALLEGIANCE**

CONSENT CALENDAR (ITEM 3)

3. **APPROVAL OF THE DRAFT MINUTES OF THE POLICY, GRANTS, AND TECHNOLOGY COMMITTEE SPECIAL MEETING OF SEPTEMBER 18, 2024**

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Rice made a motion, seconded by Director González, to **approve** the Draft Minutes of the Policy, Grants, and Technology Committee Meeting of September 18, 2024; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, Gallagher, González, Lopez, Rice.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Corzo, Hannigan, Veenker.

ACTION ITEM

4. TRANSPORTATION FUND FOR CLEAN AIR 40% FUND POLICIES COMMENCING FISCAL YEAR ENDING 2026

Linda Hui, Supervising Staff Specialist, gave the staff presentation *Proposed Updates to the Transportation Fund for Clean Air (TFCA) 40% Fund Policies*, including: action item; outline; background; timeline for policy updates; summary of proposed updates; community process; next steps for future cycles; and recommendation.

NOTED PRESENT: Director Corzo was noted present at 1:14 p.m.

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the Air District’s plan to remove Community Air Risk Evaluation (CARE) areas from the definition of “priority” areas; the proposal to increase the maximum cost-effectiveness for alternative fuel vehicles to \$522,000/ton (Policy #2) (how cost-effectiveness is calculated); the differences in policy between the TFCA 40% Fund and the TFCA Regional Fund; whether county transit agencies are engaged in changing these policies (provide input); and the reason for reverting the amount of time in which a grantee is required to commence a project from 24 to 12 months (Policy #6).

Committee Action

Director González made a motion, seconded by Director Rice, to recommend the Board of Directors **approve** proposed updates to the Transportation Fund for Clean Air 40% Fund Policies Commencing Fiscal Year Ending 2026; and the motion **carried** by the following vote of the Committee:

AYES: Carlson, Corzo, Gallagher, González, Lopez, Rice.
NOES: None.
ABSTAIN: None.
ABSENT: Abe-Koga, Hannigan, Veenker.

INFORMATIONAL ITEMS

5. STATE LEGISLATIVE UPDATE (SPECIAL SESSION)

Alan Abbs, Legislative Officer, gave the staff presentation *State Legislative Update (Special Session)*, including: action requested; presentation summary; Special Session summary (to date); and Special Session bill updates (ABX2-1 (Hart and Aguiar-Curry) – Energy: transportation fuels: inventories: turnaround and maintenance and ABX2-9 (Petrie-Norris) – Transportation fuels: specifications: production enhancement strategies).

Public Comments

No requests received.

Committee Comments

The Committee and staff discussed the anticipated timeline for California’s next Legislative Session, and the process for streamlining the Board’s input on new bills or dead bills that may be revived, considering the fact that the Committee will not meet in November 2024.

Committee Action

No action taken.

6. HYDROGEN POLICY CONSIDERATIONS

Dr. Idania Zamora, Assistant Manager of the Planning and Climate Protection Division, gave the staff presentation *Hydrogen Policy Considerations*, including: outline; hydrogen as an energy solution; hydrogen process and air emissions; hydrogen production (fossil fuel pathway, biogas pathway, renewable pathway); global hydrogen production; California hydrogen production; clean hydrogen end-uses; hydrogen end-uses; potential benefits; potential challenges to address; environmental challenges to address; environmental justice (EJ) considerations; California policies and programs relevant to hydrogen; California policies and programs (Low Carbon Fuel Standard (LCFS), Renewable Portfolio Standard (RPS), California’s Cap and Trade program, Zero-Emissions Vehicle (ZEV) requirements and infrastructure incentives, Senate Bill (SB) 1075 (2022)); summary; and next steps.

Public Comments

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

Committee Comments

The Committee and staff discussed whether the Air District’s (Technical) Advisory Council would be able to make recommendations around a potential hydrogen policy for the Air District; whether Air District staff considers adopting a hydrogen policy an urgent action for the Board to consider; Board members’ desire for technical expertise of others while developing a hydrogen policy; the anticipated level of carbon intensity of biomass as a hydrogen feedstock; how to reconcile that hydrogen is considered a good option for energy storage, due to its high energy density and potential for long-term storage, but has low energy content; whether energy is lost in fuel cell application; indirect greenhouse gas being twelve times more powerful than carbon dioxide); the intended purpose of a Board policy on hydrogen; example hydrogen Carl Moyer

Program projects; hydrogen usage goals for California; why Bill Gates considers hydrogen “the Swiss Army Knife of decarbonization”; the importance of finding the balance between supporting innovation without causing risk in exploration; the suggestion of replacing the different colors for combinations of the three aspects of the hydrogen production processes with content (“energy input”, “production methods”, and “carbon capture”); and conflict between climate and air quality goals in a potential hydrogen policy.

Committee Action

No action taken.

OTHER BUSINESS

7. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

8. COMMITTEE MEMBER COMMENTS

None.

9. TIME AND PLACE OF NEXT MEETING

Originally, the next meeting of the Policy, Grants, and Technology Committee was going to be at the Call of the Chair. At the end of the meeting, Vice Chair Lopez announced that due to a scheduling conflict with the California State Association of Counties’ Annual Meeting, the Committee’s meeting that would have been on November 20, 2024, is cancelled. The Committee’s next meeting is scheduled for Wednesday, December 18, 2024, at 1:00 p.m. at 375 Beale Street, San Francisco, CA 94105. The meeting will be in-person for the Policy, Grants, and Technology Committee members and members of the public will be able to either join in-person or via webcast.

10. ADJOURNMENT

The meeting was adjourned at 2:40 p.m.

/s/ Marcy Hiratzka

Marcy Hiratzka
Clerk of the Boards