



WEST COAST COLLABORATIVE
Public-private partnership to reduce diesel emissions

West Coast Collaborative
Agriculture Workgroup
May 9, 2005 Teleconference Meeting Summary

General Update on the Collaborative

Debrief on March Full-Collaborative, Public Workshop – The Workshop was structured around identifying areas of interest for each of the 5 Sector Workgroups and orienting those interests toward resources that are available and/or will be available. There were almost 200 people in attendance and co-sponsoring partners contributed approximately \$30,000 toward the workshop to support non-profit scholarships, the dinner cruise, meals and snacks, and speakers.

The primary goal and purpose of the Public Workshop was to create an opportunity for face-to-face interaction beyond virtual conference call meetings and to push projects forward. It also gave Collaborative members an opportunity to learn more about a variety of federal funding opportunities and to meet federal agency DC-based staff and managers involved in these programs. EPA received some feedback that while the funding information was well appreciated, the Sector Workgroups would have liked more time for Sector-specific meetings. There was also some feedback that more of an effort needs to be placed on recruiting and including non-profit, community-based and user stakeholders in the Collaborative.

Website revisions and progress – All presentations and materials from the Workshop are posted on the Collaborative website and are available for download. EPA has also designed a “Resources” area on the website that has a substantial list of current grant opportunities. This will be an important gateway and focus of attention in the next year to facilitate interest and applications to existing grant opportunities.

Status of EPA RFIP – Over 50 grant applicants totaling over \$13.5 million in projects were submitted to the EPA R9 and R10 Request for Initial Proposals; EPA chose 13 finalists for \$1.25 million in grants. Finalists have been notified and EPA is working with these finalists to complete their final grant applications. EPA expects to announce and make the grants in late summer, with a corresponding media blitz in August. In addition, EPA is still working to increase the amount of grant money available in FY05 funds, so that additional RFIP applicants could receive awards.

Status of federal, state and local budget updates –

EPA – The President’s FY 2006 proposed budget included \$15 million for a National Clean Diesel Initiative. The majority of the initial year’s funds will go to the West Coast Collaborative., This was EPA’s largest budget increase behind homeland security, salaries and rent. In addition, EPA’s FY06 budget includes \$10 million for Clean School Bus USA and \$9 million for Community Action for a Renewed Environment (CARE), a program dedicated to reducing toxics (often times diesel) in environmental justice communities. The House Appropriations Committee mark in May included \$10 million for the National Clean Diesel Initiative, \$10 million for Clean School Bus USA and \$3 million for CARE. The appropriations process will continue throughout the summer and early fall.

Collaborative activities - In the first year “start-up” phase of the organization, the Collaborative has developed a pattern of activity. As the Collaborative enters its second year of existence, it is important to confirm the direction it’s headed. Building on the existing pattern, the following list is a suggestion of Collaborative activities that could guide the organization over the next year:

- Host one-hour Sector Workgroup teleconference meetings every other month focused on information exchange (grants and conferences and public agency initiatives) and coordination of regional projects
- Initiate one or two large-scale Public Workshops each year (alternating NW and SW)
- Conduct ISC meetings every other month, generally preceding Sector Workgroup teleconference meetings
- Conduct periodic press events to highlight successes along the West Coast and the need for ongoing efforts
- Fund an annual EPA Region 9 and Region 10 RFIP for regional diesel emissions reductions projects
- Possibly fund and/or advertise other federal RFIPs
- Continue federal agency efforts to try to secure additional funds for diesel projects in the President’s Budget and individual agency budgets
- Support outreach activities by non-federal government members through the ad hoc education resources committee
- Continue to develop and add to the Collaborative website and develop other outreach materials as needed
- Initiate multiple small scale “funding forums” for Collaborative partners to educate local decision makers on the impacts of diesel and how to apply for/better utilize existing federal resources

Seyed Sadredin (San Joaquin Valley APCD), initiated discussion about the Ad Hoc Education and Resources group that he, with Lynn Terry (California Air Resources Board), and Richard Stedman (Olympic Region Clean Air Association), have formed to coordinate non-federal Collaborative partners to lobby for additional funds for diesel mitigation. He impressed upon the Workgroup that while EPA is providing leadership and administrative coordination for the Collaborative, it is up to the non-federal partners to advocate for the funds from Congress and the hope is to do so in a coordinated way. The most effective outreach effort will include state and local agencies in partnership with private interests. Seyed asked that all interested members contact one of the three leads directly:

Seyed Sadredin – seyed.sadredin@valleyair.org

Lynn Terry – lterry@arb.ca.gov

Richard Stedman – richard@orcaa.org

Current Funding Opportunities

EPA reported on several grant opportunities currently open and relevant to the Agriculture sector. In addition, the new Collaborative website has a significantly revised and updated “Resources” page to provide quick links to current and on-going potential diesel emissions reductions funding sources: <http://www.westcoastcollaborative.org/resources.htm>.

- Renewable Energy Systems and Energy Efficient Improvement Grants, Guaranteed Loan and Direct Loan Program (applications are due 90 days after March 28, 2005, which is June 26, 2005). USDA’s Rural Development Program has \$22.8 million in competitive grant funds available for FY 2005 to purchase renewable energy systems and make energy improvements for agriculture producers and rural small businesses. Of the \$22.8 million, \$11.4 million will be set aside through August 31, 2005 for guaranteed loans. In order to be eligible for grant funds, the agricultural producer or rural small business must

demonstrate financial need. The grant request must not exceed 25 percent of the eligible project costs. For more information, go to:

<http://www.rurdev.usda.gov/rbs/farmland/2005NOFA/nofa05navigate.htm>.

- 2005 USDA Sustainable Agriculture, Research and Education (SARE) Grants Program (applications for the Research and Education Proposals are due June 6, 2005; Professional Development Grants are due November 15, 2005; Farmer/Rancher due December 12, 2005; and Professional + Producer due December 12, 2005). SARE grants are used to increase knowledge about sustainable agricultural practices and to help farmers and ranchers adopt those practices. The Western SARE program administers grants in several categories (i.e., Research and Education (R&E) grants, Farmer/Rancher (FRG) grants, Professional + Producer (APP) grants, and Professional Development Program (PDP) grants) that help it achieve those aims. Each grant operates on an annual cycle and is selected through a competitive process.

Applicants for these grants, also known as Chapter 1 or R&E, typically are scientists affiliated with universities or nonprofit organizations or Ag agencies that support agriculture. Grants range in size from \$20,000 to \$200,000 or more. The grants usually run for at least three years. An interdisciplinary approach is encouraged and projects must involve producers as participants or consultants. For more information, go to:

<http://wsare.usu.edu/grants/>

Carl Moyer Program Update

Edie Chang, California Air Resources Board (CARB), presented an update on the Carl Moyer program. The Carl Moyer program is a state initiative administered through local partners. Moyer funds pay the difference between cleaner technologies and regulated requirements. The program is designed to be applicable for SIP credits. While the program was originally constrained to NOx, Moyer funds are now available for projects and technologies addressing PM and others pollutants. CARB develops state wide guidelines, but each district runs the program differently – some use an annual RFP; and some have a first come, first serve structure. The CARB guidelines set out minimum requirements and change approximately every other year.

CARB is gearing up for the next guideline development, which is expected to occur in November 2005. The revised guidelines will likely allow for expanded agriculture projects. The Moyer program has covered agriculture pumps and mobile sources, such as tractors, in the past. Under the revised guidelines, some non-engine sources, like fugitive dust or animal lots, may be eligible. CARB is looking to better understand the implications of the potential changes to the guidelines. Feedback into the draft guidelines will be open to comment and ideas until late August.

More information about the proposed Carl Moyer Program guidelines, go to:

<http://www.arb.ca.gov/msprog/moyer/moyer.htm> and

<http://www.arb.ca.gov/msprog/moyer/issues-carl-moyer-program-workshop-april-and-may-2005.doc>. In addition, you can email Edie at echang@arb.ca.gov with questions.

Biomethane to vehicle fuel project

Allen Dusault, Sustainable Conservation, reported on a new project to evaluate and assess the technical, market, and cost possibilities for biomethane substitution for vehicle fuel. California is the largest dairy state in the U.S. and there is an excess of manure from which biomethane is captured. Traditionally, the primary use of biomethane is for energy production (farms generally use it on-farm for electricity and for heat (without upgrading), and even as low grade boiler fuel), although this new project examines the potential to convert the gas to vehicle fuel. The

processing requires anaerobic decomposition to a non-pure form (similar to the process for fossil source natural gas). The technology is currently used in Sweden to fuel approximately 10,000-20,000 trucks, buses, and cars.

Specifically, the project investigates the following questions:

- How to use the gas? – initial thoughts are to substitute the gas for diesel fuel or other natural gas. This project could only supply less than 5% of total vehicle fuel demand, but could run substantial fleets in particular regions (e.g., San Joaquin Valley).
- How to refine the gas? - explores scalable technology.
- How to transport/distribute it? – considers how to get the gas from the dairies to a central point. Condensing and liquefying is expensive on a small scale and while mixing into an existing pipeline is technically feasible, it is not allowed under current regulations.
- What regulations/incentives are in place or are barriers? – for instance, there is no provision for biomethane in federal legislation (as opposed to wind or solar).
- What is the business case? – there is a relatively strong business case, but it will likely take some start-up subsidy support to get going. Under the current regulation and incentive regime, biomethane becomes cost competitive when gas reaches around \$3.25-\$3.50 per gallon.

The project will release a report in June on the website. www.suscon.org. Looking for funding to build an initial centralized plant to demonstrate.

Conclusion

The next Agriculture Workgroup call will be in mid-July.

Attendees

Contact Name	Contact Organization	Contact Phone	Contact e-mail
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