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Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer

CONTACT: Ben Ellenberger, Manager (805-961-8879)

SUBJECT: Statewide Residential Wood Smoke Reduction Program

RECOMMENDATION:

Receive an update on the statewide Wood Smoke Reduction Pilot Program and potential changes to the District's local program to allow participation in the statewide program.

DISCUSSION:

The California Air Resources Board (CARB) has developed program guidelines¹ to implement a pilot wood smoke reduction program. Assembly Bill 1613 has committed \$5,000,000 in funding statewide for replacing uncertified wood burning devices with cleaner-burning and more efficient devices. During typical years, wood smoke from fireplaces and woodstoves makes up nearly a third of wintertime fine particle pollution in Santa Barbara County. Reducing fine particle pollution improves local air quality and reduces greenhouse gas (GHG) impacts from the black carbon in wood smoke.

The California Air Pollution Control Officers Association (CAPCOA) is finalizing an agreement with CARB that will allow local air districts to participate in the statewide pilot program. If your Board chooses to participate, \$250,000 would be available for the District's program and administrative costs. This would allow an expanded local program and an opportunity to fully fund the cost of installing a basic replacement unit in low-income communities and low-income households². Staff intends to bring a revised local program that would allow participation in the statewide pilot program to a future board meeting for your consideration.

¹ https://www.arb.ca.gov/planning/sip/woodsmoke/reduction_program.htm

² A map of the communities identified as low-income under AB 1550 is available here:
<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>.

In March 2017, your Board approved a Wood Smoke Reduction Program that provided \$1,000 incentives for individuals to replace their wood-burning device countywide. Based on limited funding, our outreach for our current replacement program has not been extensive. Despite that, we have received substantial interest from around the county, with 31 replacement projects approved to date, and 21 projects completed. We have sufficient funds in this year's budget to complete 8 additional projects. Participation in the statewide pilot program would allow us to greatly expand the existing local program. We would also increase our outreach to promote the program, including focused outreach to low-income communities.

The statewide guidelines were developed with input from CAPCOA and the local districts. Because the program will be funded from the Greenhouse Gas Reduction Fund (GGRF), the following goals and objectives were set for the statewide pilot program:

- Reduce GHG emissions from uncertified wood stoves, wood inserts, or fireplaces that are used as a primary heat source;
- Maximize benefits to households in disadvantaged or low-income communities and low-income households, with a goal to distribute 75% of total funding statewide to these populations; and
- Reduce exposure to local toxic air contaminants and criteria air pollutants.

The existing District program provides a starting point, however the following provisions of the statewide pilot program are different than our existing program and would need to be incorporated into our local program:

- We may only use GGRF funds for projects where the stove, insert, or fireplace is a primary source of heat;
- We cannot use GGRF funds for projects that only remove a stove, insert, or fireplace without installing a new source of heat;
- Installers who participate in the program must agree to the program's terms and conditions in writing;
- We may reimburse installers directly, rather than reimbursing the homeowner or renter after they have paid for the replacement;
- We must target outreach to low-income communities and low-income households; and
- We may reimburse the full cost of a basic replacement in low-income communities and low-income households.

This statewide pilot program is expected to be the basis for a larger statewide program. SB 563 was signed on October 11, 2017 and directs CARB to coordinate with local air districts on an ongoing program. If your Board decides to participate in the statewide pilot program, staff would continue to work through CAPCOA to be ready to also participate in any ongoing program that is created.