California Energy Commission Docket No. 08-OIR-1 August 11, 2008 Transportation Committee Workshop Regarding Draft Regulations for the Administration of the

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Alternative and Renewable Fuel and Vehicle Technology Program

# PROPOSED DRAFT REGULATORY LANGUAGE

# Section XXXX Alternative and Renewable Fuel and Vehicle Technology Program Regulations

#### Section XXXX Advanced Vehicle Technology

Projects that produce or manufacture advanced vehicles and vehicle components in California for the life of the project shall be eligible for funding under the program. Such projects include, but are not limited to, technologies that provide any of the following: improved fuel efficiency, lower greenhouse gas emissions, alternative fuel usage, fuel cell technology, plug-in hybrid technology, electrified components, energy storage, vehicle retrofit and battery recycling.

NOTE: Authority cited: Sections 25211, 25213, Public Resources Code. Reference: Public Resources Code; Section 44272 (a), (b), (c), Health and Safety Code.

#### Section XXXX Sustainability Goals

**Note:** A subsequent workshop will be scheduled for a later date to discuss draft regulatory language for Sustainability Goals. The sustainability goals will form part of the implementing regulations, while the sustainability "characteristics" will be presented in the first Investment Plan and Solicitation. The draft sustainability goals and characteristics will be discussed during meetings of the Sustainability Working Group

#### Section XXXX Funding Restrictions

A project that is mandated by any state or federal law, rule, or regulation, or by an air district rule or regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legal mandate, shall not be eligible for funding. Neither shall a project be eligible for funding if it is necessary to achieve compliance with an applicable state or federal law, rule, or regulation air district rule or regulation. or with an memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legal mandate. To the extent a project exceeds what is required to comply with an applicable state or federal law, rule, or regulation, or with an air district rule or regulation, memorandum of agreement/understanding with a regulatory agency, settlement agreement, mitigation requirement, or other legal mandate, it may receive funding for that part of the project that the applicant demonstrates is not mandated or integral to meeting a mandate. For purposes of this section, a mandate refers to any requirement enforceable by a state or federal agency or by an air district for the purpose of reducing the emission of one or more criteria pollutants, toxic air contaminants, or any greenhouse gas.

NOTE: Authority cited: Sections 25211, 25213, Public Resources Code. Reference: Section 44271 (c), Health and Safety Code.

#### Section XXXX Advisory Body.

The commission shall assign an appropriate policy committee to establish and maintain, as needed, an advisory committee for the Alternative and Renewable Fuel and Vehicle Technology Program. The advisory committee shall function as the advisory body required under Section 44271.5 of the Health and Safety Code.

NOTE: Authority cited: Sections 25211, 25213 and 25214, Public Resources Code. Reference: Section 44271.5(a), (b), Health and Safety Code.

## Section XXXX Designation of Advisory Committee Presiding Member.

The presiding member of the assigned policy committee shall serve as the presiding member of the advisory committee and shall preside over its public meetings.

NOTE: Authority cited: Sections 25211, 25213 and 25214, Public Resources Code. Reference: Section 44271.5(a), (b), Health and Safety Code

#### Section XXXX Selection of Advisory Committee Members.

(a) The assigned policy committee shall solicit applications from persons who wish to serve as a representative from one of the interest groups or agencies identified in Section 44271.5 of the Health and Safety Code, and may solicit applications from other persons who wish to represent interest groups beyond those listed in Section 44271.5 of the Health and Safety Code.

(b) Anyone wishing to serve on the advisory committee by representing an interest group not identified in Section 44271.5 of the Health and Safety Code may

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apply to the assigned policy committee during any solicitation for applications. The assigned policy committee shall have the discretion to allow for one or more additional interest groups to be represented on the advisory committee. Such a determination shall consider whether representation of an additional interest group serves to diversify input from the advisory committee and whether the applicant has particular knowledge or expertise that would benefit public discussions and recommendations.

(c) The assigned policy committee shall notify interested persons at least 14 days in advance of any opportunity to serve as a representative on the advisory committee. The notice shall describe the process for selecting representatives, any criteria that will be used to choose between two or more persons wishing to represent the same interest group, and the number of representatives to be selected. Those selected to serve on the advisory committee shall serve at the pleasure of the assigned policy committee, except that the policy committee shall ensure that each interest group identified in Section 44271.5 of the Health and Safety Code is represented on the advisory committee.

NOTE: Authority cited: 25211 and 25213, Public Resources Code. Reference: Section 44271.5(a), (b), Health and Safety Code.

#### Section XXXX Advisory Committee Duties.

(a) The advisory committee shall meet at least twice a year to assist in the development of an investment plan and its updates. The presiding member, in consultation with advisory committee members shall decide when to hold advisory committee meetings and whether additional meetings are needed.

(b) The role of the advisory committee shall be to hold one or more public discussions and arrive at public recommendations, whether by consensus or otherwise, regarding one or more elements of the investment plan. All public discussions and recommendations shall serve to inform and advise the assigned policy committee in the drafting of a proposed investment plan. The assigned policy committee shall annually propose an investment plan, its update, or the lack of need for an update to the commission for approval.

(c) Each advisory committee meeting shall be open to the public. No less than 10 days prior to each meeting, notice of the meeting shall be posted on the commission's website and mailed or otherwise sent to interested persons. The commission shall establish a list of persons who request notice in writing.

NOTE: Authority cited: Sections 25211, 25213 and 25214, Public Resources Code. Reference: Sections 44271.5(a), (b), Health and Safety Code.

### Section XXXX Purpose of Investment Plan

(a) The investment plan shall be subject to commission approval and, as approved, shall determine priorities and opportunities for funding under the program for the ultimate purpose of transforming the state's fuels and vehicles to help attain the state's climate change policies and achieve the other goals specified in Health and Safety Code, Section 44271 et seq.

(b) The assigned policy committee shall be responsible for the preparation and publication of a draft investment plan or update, taking into consideration recommendations and input from public meetings with the advisory committee.

The draft investment plan or update shall be available for public review and comment no less than 30 days prior to the meeting at which the commission considers approving the proposed investment plan or update. During the period of public review, the assigned policy committee shall hold at least one public workshop on the draft investment plan or update. The assigned policy committee may revise the draft investment plan based on comments received during the public review period. At least 14 days prior to the business meeting at which the investment plan will be considered for approval, the assigned policy committee shall publish a proposed investment plan.

(c) All funding decisions made by the commission shall be consistent with the investment plan, which shall be updated as needed annually. The investment plan shall not identify specific projects or technologies for funding, but shall serve to give public notice as to the types of projects that would be eligible to receive funding under the program and to specify the categories of funding allocations.

NOTE: Authority cited: Sections 25211, 25213, Public Resources Code. Reference: Sections 44271.5(a), 44272 (a), (b), (c) Health and Safety Code.