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# Low-Carbon Fuel Production Program (LCFPP) 2019 Program Implementation Guidelines Fuels and Transportation Division



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California Energy Commission





#### **Low-Carbon Fuel Production**



- Budget Act of 2018, as amended by Senate Bill 856
- \$12.5 million: "to support low carbon fuel production"



### **California Climate Investments**



- Administered by California Air Resources Board (CARB)
- Puts Cap-and-Trade dollars to work
  - Reduces GHG emissions
  - Strengthens the economy
  - Improves public health and the environment, particularly in disadvantaged communities



# **Program Objectives**



Benefits: GHG emissions reduction

Co-benefits

 Considers priority populations as defined by SB 535 (2012) and AB 1550 (2016)



# **2019 Program Implementation Guidelines**



#### Resources:

- Existing solicitations under the Clean Transportation Program
- Staff Workshop
- Public comments
- CARB's Funding Guidelines for Agencies That Administer California Climate Investments.



### **Organization of Guidelines**





#### **Contains:**

- Program structure
- Eligible applicants
- Eligible projects
- Solicitation process
- Application scoring



### **Eligibility Requirements**



- All public and private entities
- A business presence in California
- New or expanded renewable fuel production
  - Ultra-low-carbon fuel of 30gCO₂e/MJ or less



# Eligibility Requirements, continued



In-state fuel production

GHG emissions reduction

• Production ≥ 1 million DGE per year



### **Funding Levels**



Maximum total funding: \$12.5 million

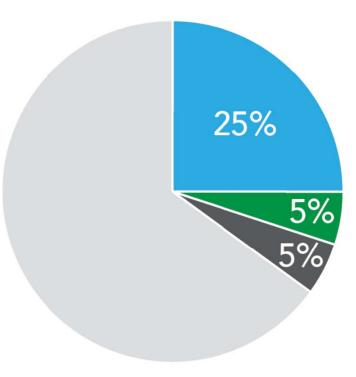
Maximum single award: \$5 million

Awarded through competitive grant solicitation



#### Maximizing Benefits to Priority Populations





Source: https://www.arb.ca.gov/ccifundingguidelines

- ≥ 25 percent of the funds within and benefiting disadvantaged communities (CalEnviroScreen 3.0 Tool)
- ≥ 5 percent of the funds within and benefiting AB 1550 low-income communities
- ≥ 5 percent of the funds within and benefiting AB 1550 low-income communities within a half-mile of a disadvantaged community



#### **Solicitation Process**



#### Two phases:

A pre-application abstract

A detailed full application



#### **Scoring Categories**



- Administrative Screening: pass/fail
- Technical Scoring Categories:
  - Project Team Qualifications
  - Business Plan
  - Project Readiness and Implementation
  - Project Budget and Cost-Effectiveness
  - Project Benefits and Co-benefits
  - Priority Population Considerations



# Solicitation Process, continued



- Release the grant solicitation
- Conduct the Pre-application workshop
  - Written questions
  - Written responses



## **Draft Guidelines and Workshop**



• 1st draft released on February 21, 2019

Staff workshop held on March 5, 2019



#### **Estimated Timeline**



Key Activities	Approximate Date
Solicitation release	September 2019
Pre-application Workshop	September 2019
Abstracts Due	Late September 2019
Abstract Results Released	October 2019
Full Proposals Due	Late November 2019
Release NOPA	January 2020
Business Meeting	March/April 2020
Encumbrance Deadline	June 30, 2020



#### **LCFPP Resources**



- LCFPP Main webpage: <a href="https://www.energy.ca.gov/programs-and-topics/programs/low-carbon-fuel-production-program">https://www.energy.ca.gov/programs-and-topics/programs/low-carbon-fuel-production-program</a>
- LCFPP workshop documents: <u>https://ww2.energy.ca.gov/transportation/lowcarbonfuels/documents/</u>
- LCFPP dockets log: <u>https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnu</u> mber=19-TRAN-01
- Contact: <a href="mailto:lowcarbonfuels@energy.ca.gov">lowcarbonfuels@energy.ca.gov</a>