

# Local Energy Resources Network



**Meeting 31**  
**July 9, 2024**

*Featuring Presentations on  
IBank Climate Financing Products and  
CARB/CalStart Fleet Programs*



# Welcome!

## Purpose

Interactive 1-hour meetings designed to be a regular space where local governments - and those who work with them - can help each other learn about (and possibly inform) available opportunities to advance their energy and climate goals.

## TODAY'S AGENDA

- Opportunity Roundtable
- Guest Spotlight: IBank Climate Financing Products
- Featured Presentations: CARB & CalStart on clean fleet programs
- Optional: Extended 15 minutes for Bonus Breakouts
- 11am - locals invited to IMT event



# Opportunity Roundtable

Need/Have Board

View all Opportunities



**State**

- FY 21-22 Budget (\$15B climate resilience)
- FY 22-23 Budget (\$38.8B climate change)
- Cap and Trade auction revenue allocations (~\$19B raised since 2013)
- FY 23-24 Budget
- **FY 24-25 Budget - May revise**
- State agency proceedings (e.g. \*CPUC microgrid, CEC IEPR, \*CARB Scoping Plan)
- 9th circuit panel of judges denied petition for an en banc rehearing of Berkeley's gas ordinance.
- CA Priority Climate Action Plan

**Federal**

- Infrastructure Investment and Jobs Act (IIJA) (2021) = \$47B in climate resilience funding
- FY 22-23 Budget (\$44.9B climate change)
- Inflation Reduction Act (IRA) (2022)
- Biden's Proposed FY 23-24 Budget (\$52.2B climate change)

**Funding**

- CEC: Community Energy Reliability and Resilience (CERRI) Investment Program - due July 12
- USDA: Community Facilities Program Disaster Repair Grants - due July 20
- DOE: Energy Storage Innovations to Support Grid Reliability Phase 1 - due Aug 9
- DOT: Charging and Fueling Infrastructure (CFI) Discretionary Grant Program (Round 2) - due Aug 28
- CEC: EPIC Clean, Dispatchable Generation Grants - due Sept 13
- OPC: SB 1 Sea-Level Rise Adaptation Planning Grant - due Oct 4
- DOE: ECEBG Formula Grants and Voucher - due October 31
- EPA: Environmental and Climate Justice Community Change Grants - Nov 21, 2024. EPN app guide.
- IRS: Consumer clean energy tax credits live! DOE: Low-Income Communities Bonus Credit (rolling applications)

**Other Assistance**

- SoCalREN: Webinar: Water & WasteWater Grants Made Easy: Unpacking the DOE's IAC Implementation Grant Program (Jul 10)
- SCE: Transportation Electrification (TE) Advisory Services
- IRS: Office Hours for Elective Pay for Tax Credits pre-filing registration process (July 2-Oct 2)
- Center for Public Enterprise: Recent Reports and Guides related to tax credits
- USDA: Rural Energy for America Program (REAP) - Sept 30 (customer/constituent opportunity)

**Input Opportunities**

- CARB: CCI Funding Guidelines - July 10
- OPR/CNRA: Updated Statewide Climate Adaptation Strategy - workshops in June, public comment due July 12
- SLECC: 6/25 Meeting Guide; Next meeting Sept 12



# Spotlight Presentation



Climate Finance  
Associate, IBank

**Taylor Carnevale**

# IBank Climate Financing Product Summary

Expanding California's Green Banking Strategy



California Infrastructure and  
Economic Development Bank



# California Infrastructure and Economic Development Bank (IBank)

The California Infrastructure and Economic Development Bank (IBank) was created in 1994 to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong economy, and improve the quality of life in California communities.



**Infrastructure State  
Revolving Fund  
Program**

Low-cost public financing to state, local, and government-sponsored non-profit entities



**Climate  
Financing**

Accessible financing for climate solutions



**Bond Financing  
Program**

Conduit bond issuances



**Small Business  
Finance Center**

Loan guarantees and affordable capital for small businesses, underrepresented venture capital fund managers & climate entrepreneurs

**\$51B**

Total bond activity



**59,313**

jobs reported from bond projects

**\$2.1B**

small business loans supported since FY 13-14\*



**453,085**

jobs created or retained since program inception

**\$1B**

Total infrastructure loans closed



**24,757**

jobs reported from loan projects



Green Municipal Loans Closed

**\$152M**



Green and Social Bonds Issued

**\$2.8B**



# IBank Climate Financing Product Summary

In June, IBank announced a suite of financing products tentatively planned for release at the launch of the program capitalized through the US National Clean Investment Fund:

## Climate Loan Guarantee

An expansion of IBank's current, successful Small Business Loan Guarantee program, with additional program components to encourage investment in climate technology by securing more favorable financing terms for climate projects and encouraging private investment.

## Climate Loan Participation

A shared risk and benefits model to increase the willingness of community lenders, credit unions, and other private investors to fund climate projects.

## Climate Incentives Bridge

A bridge financing mechanism for public, private, and non-profit sector borrowers seeking to utilize anticipated incentives, such as utility and state agency rebates, federal clean energy tax credits, and reimbursable grant funds, to finance project costs.



# About the National Clean Investment Fund

As part of the Greenhouse Gas Reduction Fund, EPA is launching the **\$14B** National Clean Investment Fund (NCIF) to deliver green financing and build the capacity of green banks and other financing entities.

In April, EPA awarded three “national green banks” that will provide capital to green financing institutions across the country and make financing available for projects that decarbonize buildings, transportation, distributed power generation, and more.

The competition will bring up to \$450M for climate financing programs through IBank and STO, and much more through community lenders, credit unions, and other green financing entities.

**POWER  
FORWARD**  
COMMUNITIES



**Coalition for  
Green Capital**



**CLIMATE  
UNITED**



2023

# Process for Shaping California's Green Banking Strategy

Fall 2023: IBank leads state's engagement with the NCIF – applies to the competition as a subawardee under the Coalition for Green Capital.

2024

Winter 2023 - 2024: IBank and STO release the **Climate Financing Request for Information** to invite input on real-time market conditions and identify financing gaps.

Spring 2024: US EPA announces the award recipients of the NCIF.

Summer 2024: IBank releases the **Climate Financing Product Summary** outlining a suite of new, tentative products to be capitalized with NCIF.

Fall 2024 (tent.): NCIF grant agreements finalized and new products launched.



# Priority NCIF Sectors



# Priority Areas of Impact



**Flexible, Low-Cost Capital**



**Leveraging Private Capital &  
Supporting Community Lenders**



**Increasing Access to Climate  
Solutions in Priority Communities**



# Product Overview:

## Climate Loan Guarantee

Addressing project finance and working capital gaps by providing a guarantee (“backstop”) on a loan to a project or entity by an eligible lender.

### **Maximum guarantee amount:**

Up to \$20M.

### **Guarantee coverage:**

70% of a loan's value for a standard loan.

### **Increased coverage for Justice40 investments:**

Up to 80% of a loan amount.

### **Eligible Lenders:**

- Federal or State-chartered Bank.
- Savings Association.
- Certified Community Development Financial Institutions (CDFI).
- Credit Union.
- Farm Credit System Insurance Corporation (FCSIC).
- Other Financial Institutions with IBank Exception.

**PLEASE NOTE:** Eligible projects must comply with Davis-Bacon and Related Acts, Build America Buy America, Uniform Relocation Assistance Act, and other federal “cross-cutters”. The release of the products is pending further internal refinement, finalization of US EPA requirements, and final approval of IBank’s Board of Directors.



# Product Overview: Climate Loan Participation

Supporting emerging green financing entities in broadening their climate-related investments, and supporting climate projects in securing accessible financing terms.

**Participation size:**  
\$1M-30M.

**Maximum purchase amount:**  
The lesser of 50% of a loan amount, or \$30M.

**Increased coverage for Justice40 investments:**  
The lesser of 60% of a loan amount, or \$30M.

**Interest Rate:** IBank may offer a reduced interest rate on its share of the loan to be passed on as a lower blended rate to the borrower.

**Eligible Lenders:**

- Federal or State-chartered Bank.
- Savings Association.
- Certified Community Development Financial Institutions (CDFI).
- Credit Union.
- Farm Credit System Insurance Corporation (FCSIC).
- Other Financial Institutions with IBank Exception.

**PLEASE NOTE:** Eligible projects must comply with Davis-Bacon and Related Acts, Build America Buy America, Uniform Relocation Assistance Act, and other federal “cross-cutters”. The release of the products is pending further internal refinement, finalization of US EPA requirements, and final approval of IBank’s Board of Directors.



# Product Overview: Climate Incentive Bridge

Bridge financing for public, private, and non-profit sector borrowers seeking to utilize anticipated incentives, such as utility and state agency rebates, federal clean energy tax credits, and reimbursable grant funds, to finance project costs.

By allowing projects to monetize a portion of their anticipated incentives at the beginning of the construction phase, the product would “bridge the gap” between project capital formation and the incentive payment date – solving a key market barrier and expanding access to available incentives.

**Loan Range:** \$1M - 25M

**Term:** 12 – 24 months. IBank and the borrower will determine loan term based on the projected incentive payment date.

Loan can be secured by an earned incentive, or, for a speculative incentive, assets commensurate to the incentive amount.

**Interest Rate:** TBD, pending final NCIF agreement.

**Interest Rate Subsidy for J40 Investment:** 25 bps.

**PLEASE NOTE:** Eligible projects must comply with Davis-Bacon and Related Acts, Build America Buy America, Uniform Relocation Assistance Act, and other federal “cross-cutters”. The release of the products is pending further internal refinement, finalization of US EPA requirements, and final approval of IBank’s Board of Directors.



***We need your help – with projects, market insight, and a broad range of strategic partnerships!***

**Invitation for Eligible Climate Finance Transactions:**  
*Do you have an eligible project that is seeking financing?*

**Input from Market Participants:**  
*Do these products reflect the needs of eligible projects?*

**Link to Climate Financing Product Summary in the Chat.**





**Taylor Carnevale**  
Climate Finance Associate  
California Infrastructure and Economic Development Bank  
[taylor.carnevale@ibank.ca.gov](mailto:taylor.carnevale@ibank.ca.gov)



California Infrastructure and  
Economic Development Bank



# Featured Presentation



**Air Resource Engineer**  
**Mobile Source Control Division, Zero Emission**  
**Truck and Bus Section, CARB**

**Andrew Reyes**



**Air Pollution Specialist**  
**Mobile Source Control Division, Zero Emission**  
**Truck and Bus Section, CARB**

**Julie Cooper**





# California Air Resources Board

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*Local Energy Resources Network*

*July 9, 2024*

**Andrew Reyes, Air Resource Engineer, Mobile Source Control Division**



# Agenda

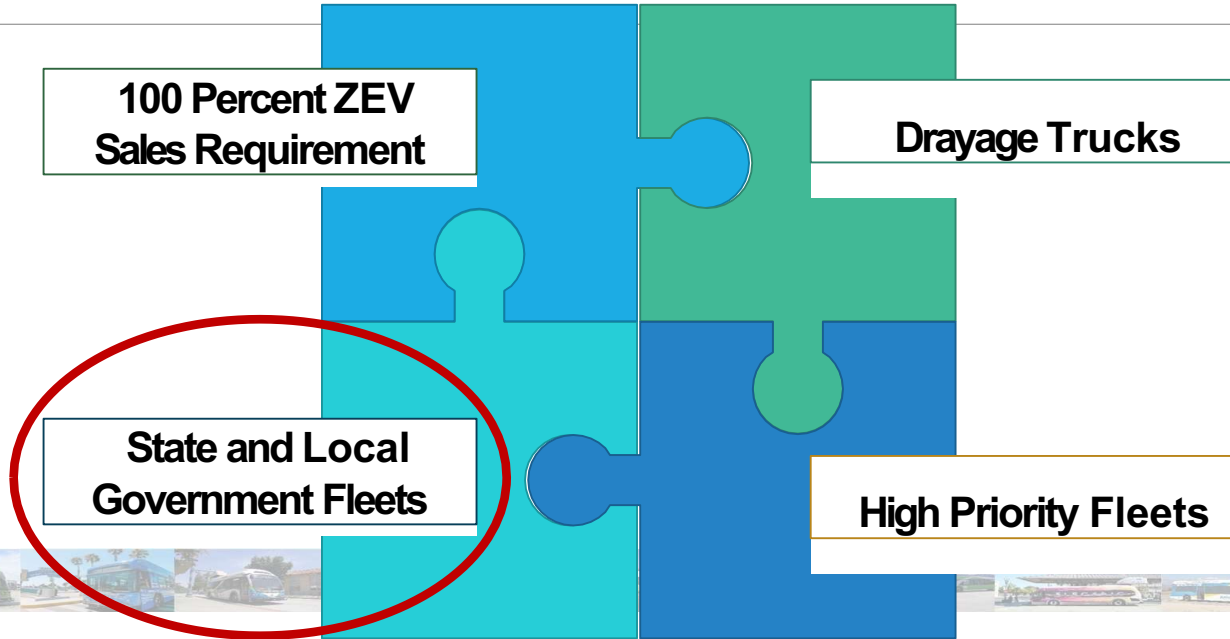
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- Advanced Clean Fleets - State and Local Government Agency Fleet requirements
- Upcoming Air Resources Board events
- Contact information and links





# Advanced Clean Fleets (ACF) Regulation



# State and Local Government Fleet Applicability and Deadlines

- Applies to any state or local government agency in California that owns, leases, or operates one or more vehicles with a gross vehicle weight rating (GVWR) greater than 8,500 lbs.
- Hiring Entities— Any entity that hires and operates or directs the operation of vehicles like a broker or shipper
- Early/excess action credit can be used towards compliance
- Compliance assessed at end of year for all purchases made during calendar year
- Annual reporting deadline is April 1, 2024, even for counties on delayed start





# Excluded Vehicles

- School buses defined in (California Vehicle Code §545)
- Emergency vehicles defined in (California Vehicle Code §165)
- Vehicles awaiting sale
- Military tactical vehicles
- Historical vehicles
- Dedicated snow removal vehicles
- Certain two-engine vehicles
- Heavy cranes
- Transit vehicles subject to Innovative Clean Transit regulation
- Vehicles subject to Zero-Emission Airport Shuttle regulation



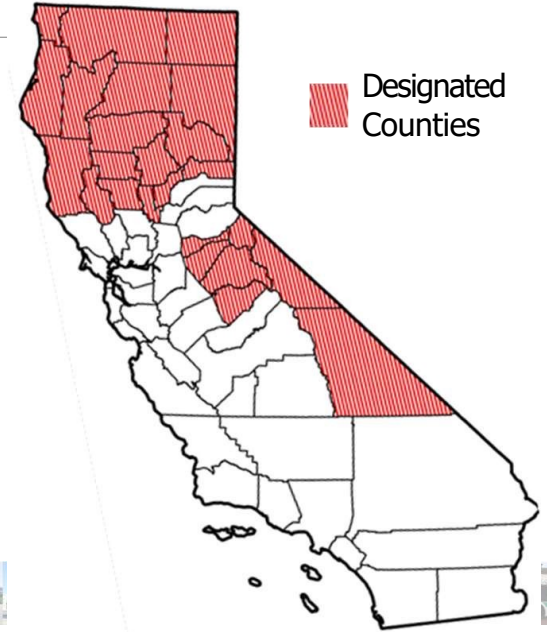
# ZEV Purchase Schedule

2024-2026

January 1, 2027

50 percent of purchases must be ZEV or NZEV

All purchases must be ZEV or NZEV



- Agencies in designated counties or divisions with 10 or fewer trucks are exempt until 2027
- May use certain exemptions and extensions





# ZEV Purchase Schedule - Practical Considerations

- Existing compliant internal combustion vehicles can be operated indefinitely
  - No useful life retirement in this option
- ZEV purchase requirements based on purchase order date
  - Orders placed before 1/1/2024, that are not delivered until 1/1/2024 or after, are not included in 2024 ZEV purchase requirement
- Early/excess action credit
  - ZEV purchased early or over 50% requirement count one-for-one towards future combustion purchase
- Compliance is assessed at the end of year for all purchases made during that calendar year
- Extensions and Exemptions
  - ICE vehicle must be at least 13 years old to qualify for ZEV Daily Usage, ZEV Infrastructure, ZEV Purchase
- Non-transit vehicles owned by Transit Agencies subject to the ICT regulation are exempt through 1/1/2030

# ZEV Milestones Option

- Open to State and Local Government Agency Fleets
- Provides flexibility to comply regardless of vehicle age or mileage
- Phased-in based on ZEV suitability by vehicle type
  - Must meet ZEV milestones as a percent of California fleet
- Flexibility to add new or used ICE vehicles meeting cleanest engine requirements
- Can opt-in permanently by until 1/1/2030
- Must waive right to statutory useful life for vehicles



# Reporting Date

- State and Local Government Agency Fleets

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  - Report in TRUCRS (on-line reporting tool)
  - Initial April 1, 2024
  - Annually by April 1, until 2045
- Fleet changes need to be reported within 30 days of occurrence
  - Any vehicles added
  - Any vehicles permanently removed
  - Backup vehicles that exceed the allowable mileage
  - ZEV conversions



# Exemptions and Extensions

Provision	Summary
Vehicle Delivery Delay Extension*	Allows a fleet to remain compliant if a ZEV order is delayed.
ZEV Infrastructure Delay Extension	Extends compliance for up to 5 years for delays during planning and construction.
ZEV Purchase Exemption	Can buy ICE vehicle if ZEV is not available in same configuration and weight class or next higher.
Daily Usage Exemption	Can buy ICE vehicle if available BEV does not meet fleet's mileage or power needs, and no NZEV or FCEV are available in the same configuration and weight class.
Mutual Aid Assistance	Reserves up to 25 percent of ICE vehicles in a fleet for use in mutual aid events.
Waste and Wastewater Fleets Ext.	Gives more time for existing CNG trucks in waste diversion and biomethane generation. Must permanently opt into ZEV Milestones to qualify.
Non-Repairable Vehicle	Flexibility to purchase used replacement ICE vehicle in case of an accident.
Backup Vehicle Exemption	Vehicle operated less than 1000 miles per year, excluding emergency operation mileage.
Intermittent Snow Removal Vehicle	May purchase ICE vehicles to operate as intermittent snowplow until 2030.
Transit Agency Exemption	Excludes transit agencies and their maintenance vehicles until 1/1/2030.

\* Not relevant to ZEV Purchase Schedule





# Upcoming Events

## One-Stop Truck Events

- Whittier (July 23)  
7320 Greenleaf Ave, Whittier, CA 90602

Location:

- Salinas (August 20) TBD
- Tulare (September 17) TBD
- Redding (October 17) TBD
- Imperial (November 20) TBD

## Zero-Emission Showcase + Ride and Drive

- Oakland (August 14)  
7000 S. Coliseum Way, Oakland, CA 94621

REGISTRATION



# Contacts and Links

- ACF (Advanced Clean Fleets)

Questions: email us at [zevfleet@arb.ca.gov](mailto:zevfleet@arb.ca.gov)

- Appendix A-1 (Final Regulation Order)
- State and Local Government Agency Fleet Requirements Overview
- Zero-Emission Vehicle Milestones Option
- Exemptions and Extensions Overview
- Online Reporting System (TRUCRS)

- HD I/M (Clean Truck Check)

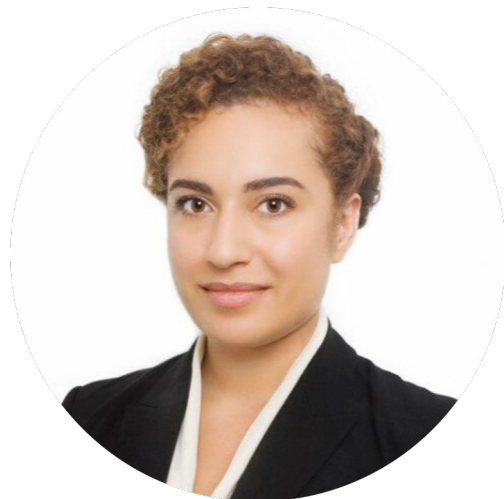
Questions: email us at [hdim@arb.ca.gov](mailto:hdim@arb.ca.gov)

- HD I/M Webinar
- Guidance to Vehicle Owners on Upcoming Requirements
- CARB events
  - One-Stop Truck Events
  - Zero-Emission Showcase + Ride and Drive





# Featured Presentation



Deputy Director of Trucks and  
Off-Road, CalStart

**Niki Okuk**



# Q&A

***Please add your questions in the chat or raise your hand***

# **BPC Workshop**

**Topic: Discussion**

- If you attended the CCEC Forum last month, **please complete our survey**
- **August LERN** to feature USDN on tips for obtaining federal funding
- If you wish to support **CCEC comments on the State's Adaptation Strategy** or help **inform input on the CCI Funding Guidelines**, contact [ahacker@civicwell.org](mailto:ahacker@civicwell.org)



# Local Energy Resources Network



## What's Next?

- Bonus Breakouts up next!
- Next meeting **August 13th, 2024**
- Share [invitation](#) with others



# Optional: Bonus Breakouts

***Thanks for joining us!***

This is a space for informal discussion among the LERN network. Feel free to:

- Offer an announcement, success story, or opportunity
- Share a need for information, collaborators, or advice
- Raise a suggested topic or speaker for future LERNS

If you need an in-depth discussion, you can pitch a specific bonus breakout topic and invite others to join you (today or we can plan ahead for next month)



# CCEC Serves Local Needs



wEEKly Update



CURRENTS Quarterly



Webinars



Annual Forum



Active Funding Opportunities



Funding Program Database



Technical Assistance



Technical Assistance Directory



Local Government Roundtables



Best Practice Database



Interviews and Case Studies