

The California Energy Commission
Local Alternative and Renewable Fuel and Vehicle Technology
Partnerships Pilot

Proposal

The South Bay Workforce Investment Board (SBWIB), founding organization and managing entity of *California's Green Workforce Coalition*, proposes a three-year pilot project funded at \$1,250,000 per year to demonstrate the efficacy of local workforce training partnerships in identifying meritorious local workforce investment projects, which support the development and deployment of innovative technologies that transform California's fuel and vehicle types to help attain the state's climate change policies.

Background

California's leadership in addressing what is truly a global dilemma is evidenced by the passage of AB 32—the *California Global Warming Solutions Act of 2006*, considered the toughest and most progressive climate change legislation in the nation. The Act contains a plan to reduce greenhouse gas emissions to 1990 levels by 2020, which is a reduction close to 25 percent. The Act also calls for an 80 percent reduction below 1990 levels by 2050, a mandate that will fuel demand for green workers across the state for decades.

Similarly, Assembly Bill 118 (Núñez, Chapter 750, Statutes of 2007) created the *Alternative and Renewable Fuel and Vehicle Technology Program* to increase the use of alternative and renewable fuels and innovative technologies to meet the goals established by AB 32.

The Local Alternative and Renewable Fuel and Vehicle Technology Partnerships Demonstration

Under the Auspices of the California Energy Commission (CEC), the *Local Alternative and Renewable Fuel and Vehicle Technology Partnerships Pilot* (“*the Pilot*” or “*Pilot Project*”) will exemplify the efficacy of local collaboration in priority-setting, selection, and oversight of projects designed to support attainment of state climate change policies.

The *Alternative and Renewable Fuel and Vehicle Technology Committee* of *California's Green Workforce Coalition* will serve as the local *Partnership* for this *Pilot*. The purpose of the *Partnership* will be to: Invest *Pilot Project* resources by selecting, funding, managing, monitoring, and documenting the outcomes of meritorious, locally proposed workforce investment projects according to criteria set forth in the *California Alternative and Renewable Fuel, Vehicle Technology, Clean Air and Carbon Reduction Act of 2007* (“*the Act*”) and locally developed outcomes-based criteria.

By investing in the development of incumbent worker skills, the skills of entry-level workers, and/or unemployed workers, with priority given to those who work or reside in economically disadvantaged areas or who are otherwise determined to be economically disadvantaged, *Partnership*-funded projects may be those, which support:

- Alternative and renewable fuel feedstock production and extraction;
- Renewable fuel production, distribution, transport, and storage;
- High-performance and low-emission vehicle technology and high tower electronics;
- Automotive computer systems;
- Mass transit fleet conversion, servicing and maintenance;
- Other sectors or occupations related to the purposes of *the Act*; or
- Community education in support of goals defined by *the Act*.

Project Evaluation Criteria

Only those proposed projects which adhere to the following guiding principles shall be considered for funding:

Activities undertaken shall:

- Complement, and not interfere with efforts to achieve and maintain federal and state ambient air quality standards and those designed to reduce toxic air contaminant emissions; and
- Maintain or improve upon emission reductions and air quality benefits in the State Implementation Plan for Ozone, California Phase 2 Reformulated Gasoline standards, and diesel fuel regulations; and
- Emphasize the development and deployment of technologies and alternative fuels in the market place, without preference to any one fuel or technology.

Project Evaluation Criteria Defined by the Act

The *Partnership* shall give preference to projects that maximize the goals of *the Act* according to the following criteria as appropriate:

1. The project's ability to provide a measurable transition from the nearly exclusive use of petroleum fuels to a diverse portfolio of viable alternative fuels that meet petroleum reduction and alternative fuel use goals;
2. The project's consistency with existing and future state climate change policy and low-carbon fuel standards;
3. The project's ability to reduce criteria air pollutants and air toxics, and reduce or avoid multimedia environmental impacts;

4. The project's ability to decrease, on a life-cycle basis, the emissions of water pollutants or any other substances known to damage human health or the environment, in comparison to the production and use of California Phase 2 Reformulated Gasoline or diesel fuel produced and sold pursuant to California diesel fuel regulations;
5. The project does not adversely impact the sustainability of the state's natural resources, especially state and federal lands;
6. The project applicant(s) provides non-state matching funds;
7. The project provides economic benefits for California by promoting California-based technology firms, jobs, and businesses;
8. The project uses existing or proposed fueling infrastructure to maximize the outcome of the project;
9. The project's ability to reduce, on a life-cycle assessment, greenhouse gas emissions by at least 10 percent, and higher percentages in the future, from current reformulated gasoline and diesel fuel standards established by the state board;
10. The project's use of alternative fuel blends of at least 20 percent, and higher blend ratios in the future, with a preference for projects with higher blends; and
11. The project drives new technology advancement for vehicles, vessels, engines, and other equipment, and promotes the deployment of that technology in the marketplace.

Locally Developed Outcomes-Based Evaluation Measures

Proposals submitted to the *Partnership* for funding consideration will also be evaluated based upon the extent to which they achieve CEC-approved standards under two or more of the following outcome measures:

1. Net fuel savings; and/or
2. Improvement(s) in national security; and/or
3. Revenue leakage reduction; and/or
4. The extent to which the knowledge, skills and abilities required of workers in order to perform in a job targeted for training or education are substantially novel, unique, or different compared to their conventional counterparts that a new or substantially revised curriculum is required.

5. Community Benefits: Projects which propose to support the research, design, development, installation or use of alternative and renewable fuel(s) and/or vehicle technologies in communities with higher than average air quality may receive additional consideration. If evenly matched among competing projects, a tiebreaker may favor the community to be served that is most in need. For example, among communities with poor air quality that are competing for workforce investment resources, the community with the highest unemployment and poverty rate may receive priority.

Workforce Investment Strategies

The *Partnership* will consider workforce investment projects submitted by local applicants proposing any of the following strategies, combined with one or more Employer Services (see below), which result in compliance with one or more of the evaluation standards established by the *Partnership* in cooperation with the CEC:

- Classroom education or training
- Structured online instruction
- Internships
- On-the-job training
- Work experience
- Instruction during a licensed apprenticeship program
- Hands-on instruction in a laboratory environment
- Structured workshops
- Curriculum development
- Other appropriate instruction or instruction-related activities

Employer Services

In combination with one or more workforce investment strategies, project applicants may also propose to provide one or both of the following employer services:

- Analyses of current fuel consumption and emissions as compared to the use of alternative and renewable fuel sources; and/or
- Development or revision of business strategies to enable conversion to the use of alternative and renewable fuel sources or the use of a new, low-emission vehicle technology(ies).

Partnership Composition

Drawn from the membership of *California's Green Workforce Coalition*, with additional appointments of appropriate community stakeholders recommended by the CEC, the *Partnership* will consist of public and private transportation-related organizations, economic development entities, local government, K-12, community college, California State University, and University of California representatives, the

California Employment Development Department, local workforce investment board and One-Stop career center representatives, public authorities, organized labor, utilities, community-based organizations, research entities, social entrepreneurs, and other parties with an interest and/or expertise in climate change issues.

Geographic Scope

Selected projects and project applicants may be local, serving a single locality, or regional in nature, serving more than one geographic, political or governmental jurisdiction in the State of California.

Uses of Funding

Per year, a minimum of 90% of total *Pilot Project* funds (\$1,125,000) shall fund workforce investment projects, which may also include employer services or community education (not to exceed 10% of total funds awarded); and not more than 10% of total funds (\$125,000 per year) may be used to support the *Partnership's* administrative operations.

Background on California's Green Workforce Coalition and SBWIB

Managed by SBWIB, *California's Green Workforce Coalition* includes green businesses and environmental advocates, local workforce investment boards, K-12 education, community colleges, organized labor, economic development agencies, public authorities, utilities, community-based organizations, concerned citizens and consultants, and representatives from the California EDD, CSU, and UC systems. Since its inception, the *Coalition* has developed a refined understanding of the nature of green jobs, identified local occupations with the basic skill sets needed for green work, and identified an outcomes-based framework for evaluating green jobs training and education projects.

The SBWIB is one of 7 industry-led, local policy and administrative oversight entities for federal Workforce Investment Act programs in Los Angeles County, operating under the auspices of the California EDD and the California Workforce Investment Board. The SBWIB serves a 9-city area of southwest Los Angeles County.

The benefit of a local workforce training partnership managed by a local WIB is that it allows for local input and decision-making by a broad group of public and private community stakeholders. It provides fiscal responsibility by a local, state and federally regulated agency and it provides objectivity in decision-making as local WIBs are not providers of education or training services. Moreover, transferring such activities under the Act to the local level will reduce the administrative burden to the CEC.

For more information regarding this proposal, please contact Jan Vogel, Executive Director, South Bay Workforce Investment Board at 310/970-7700.

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