Climate Pollution Reduction Grant Program Update

Regional Staff Committee | October 19, 2023





We are leaders in the region to realize equity for all. Diversity, racial equity and inclusion are integrated into how we carry out all our work. psrc.org/equity

Overview

- The Climate Pollution Reduction Grant (CPRG) program is being implemented by EPA under the Inflation Reduction Act (IRA)
- CPRG is comprised of two phases:
 - Phase 1 (Non-Competitive Planning Grants) to develop strong climate pollution reduction strategies (\$250M)
 - Funds provided to States and Regions (Metropolitan Statistical Areas)
 - Phase 2 (Competitive Implementation Grants) to put plans into action (\$4.6B)

Overview

- The Puget Sound Clean Air Agency is serving as lead organization for the Seattle-Tacoma-Bellevue MSA
 - Covers the four-county region
 - In partnership with a consortium of agencies, including PSRC
 - Developing the required regional Climate Action Plans
 - Working closely with Department of Commerce and the Governor's Office to stay aligned with State efforts



CPRG Timelines and Deliverables - Planning

2023

• Work Plan successfully submitted May 31, 2023

2024

- Priority Climate Action Plan (PCAP) due March 1, 2024
- Near-term priority GHG reduction measures

2025

- Comprehensive Climate Action Plan (CCAP) due Summer 2025
- Near- and long-term GHG reduction measures for all sectors

2026

Ongoing CPRG program work and analyses

2027

- Status Report due in Summer 2027
- Updated analyses and next steps for key metrics



Priority Climate Action Plan

- Will address all sectors / sources of emissions
 - Transportation, including -
 - On-road (PSRC's Four-Part Greenhouse Gas Strategy)
 - Off-road
 - Marine
 - Aviation
 - Built environment
 - Waste
 - Agriculture
 - Industry
 - Electricity





CPRG Phase 2 Overview - Implementation

- EPA released Phase 2 guidance on September 20, 2023
- Applications due April 1, 2024
- Goal to implement ambitious measures that will achieve significant cumulative GHG reductions by 2030 and beyond
- Eligible applicants may only apply for funding to implement measures contained in an applicable PCAP
- Eligible applicants include states, municipalities, tribes, tribal consortia, territories
- Can also apply as Partnership or Coalition (may require an MOA)



Phase 2 Funding Tiers

Tier	Grant Ranges	Funds Targeted for Each Tier	Anticipated Number of Grants to be Awarded
Tier A	\$200,000,000 - \$500,000,000	\$2 billion	4-10
Tier B	\$100,000,000 - \$199,999,999	\$1.3 billion	6-13
Tier C	\$50,000,000 - \$99,999,999	\$0.6 billion	6-12
Tier D	\$10,000,000 - \$49,999,999	\$0.3 billion	6-30
Tier E	\$2,000,000 - \$9,999,999	\$0.1 billion	10-50



Transportation Strategy Examples

- Programs to increase the share of electric vehicles and to expand electric vehicle charging infrastructure
- Transportation pricing programs that reduce vehicle miles traveled (VMT)
- New or expanded transportation infrastructure projects to facilitate alternative modes such as public transit
- Incentive programs to purchase zero-emission vehicles and equipment to replace older heavy-duty diesel vehicles and equipment
- Programs to increase efficiency and reduce GHG emissions at ports and freight terminals
- Programs to support / expand sustainable aviation fuels

Next Steps

- In partnership with the Department of Commerce, PSCAA will be hosting a broad stakeholder meeting in mid-November to hear interests from agencies around the region to pursue Phase 2 implementation grants:
 - Virtual meeting date/time TBD
 - Plan to interact and provide feedback
 - Your input will inform the PCAP and Phase 2 priorities
- Meeting information will be shared broadly with PSRC staff committees and boards when available
- Information on the PCAP will also be provided as this work
 moves forward



