

# **EXHIBIT D**

**CENTRAL VALLEY AIR QUALITY  
COALITION**

**FORM 1-SUPPLEMENTAL ENVIRONMENTAL PROJECT PROPOSAL FORM**

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**SUPPLEMENTAL ENVIRONMENTAL PROJECT PROPOSAL FORM**

Project Name: Reconciling San Joaquin Valley Air Pollution Banking to Protect Public Health and Advance Environm		
Organization Name: Central Valley Air Quality Coalition (CVAQ)		
Contact Name: Catherine Garoupa White		
Mailing Address: 4991 E McKinley Ave, Suite 109		
City: Fresno	State: CA	Zip Code: 93727
Street Address (if different from above): n/a		
City:	State:	Zip Code:
Telephone Number: (559) 960-0361		
Fax Number: n/a		
Company Email Address: info@calcleanair.org		

**SIGNATURE**

I declare that I have examined this statement, and to the best of my knowledge and belief, it is true, correct, and complete.

SEP Submitter Name: Catherine Garoupa White	Title: Executive Director
Signature of Submitter:	Date of Signature:

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**ORGANIZATION DESCRIPTION**

<input checked="" type="checkbox"/> nonprofit 501(C)(3)
<input type="checkbox"/> government
<input type="checkbox"/> local agency
<input type="checkbox"/> tribal government
<input type="checkbox"/> business
<input type="checkbox"/> other (if other, please explain):

Provide a brief history of the organization (mission, vision, and goals):  
The Central Valley Air Quality Coalition's (CVAQ) mission is to raise awareness, act as a watchdog, advocate for policy, and mobilize communities to restore clean air to the San Joaquin Valley. CVAQ works to ensure that people of all races, cultures, classes, and beliefs have meaningful opportunities to be involved in community projects, policy development, and regulatory processes to improve regional health. CVAQ envisions a healthy, safe, and economically prosperous San Joaquin Valley where chronic air pollution and epidemic sickness due to poor air quality are eliminated. Since 2003, CVAQ has coordinated policy advocacy and capacity building, synergizing connections between legal, policy, medical, scientific, and community expertise while building solidarity among 70+ diverse member organizations.

**ORGANIZATION EXPERIENCE**

Provide information on the organization's ability and capacity to complete the proposed project. Describe previous project management experience, including a list of completed projects/dates and who funded the project:

Over the past couple of decades, CVAQ has made significant gains for clean air and environmental justice in the San Joaquin Valley.

From 2016 to 2019, CVAQ spearheaded a campaign to improve clean up plans for Particulate Matter 2.5 microns or smaller (PM 2.5) pollution, leading to significant improvements to the plan before it was adopted. CVAQ additionally won an audit of the top stationary sources of PM pollution to assess whether permitted levels match with actual emissions, and a review of the Valley Air District's Emission Reduction Credit program, which allows polluters to use credits instead of clean up their pollution, worsening air pollution and environmental injustices. This work was funded by the California Endowment.

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**PROJECT INFORMATION**

Project Name: Reconciling San Joaquin Valley Air Pollution Banking to Protect Public Health and Advance Environment
Organization Name: Central Valley Air Quality Coalition
Project Location(s): Provide the address or GPS coordinates of where the proposed project will take place: Since the banking system applies to the whole region, benefits from this project will apply across the San Joaquin Valley air basin.

**ENVIRONMENTAL ISSUE TO BE ADDRESSED**

<input type="checkbox"/> Air Monitoring
<input type="checkbox"/> Indoor Air Filtration
<input type="checkbox"/> Human Health and Asthma Outreach
<input type="checkbox"/> Green Projects
<input checked="" type="checkbox"/> Community Engagement and education
<input type="checkbox"/> Other (if other, please explain):

**PROJECT DESCRIPTION**

<p>Provide a scope of work for the project and explain how the proposed project will benefit air quality. If applicable, explain how the project benefits disadvantaged communities:</p> <p>This project builds capacity and engages the public in decision making processes to correct systemic problems with the San Joaquin Valley Air District's pollution credit banking system. The proposed second phase would enhance these efforts through additional research and expert review of data. In response to concerns raised by advocates about the air pollution banking system managed by the Valley Air District that allows polluters to buy, sell, and "cash in" credits for reductions that were either grossly overestimated or, in some cases, never really happened, CARB's enforcement division recently conducted a program review validating advocates' concerns and further showing systemic problems that require rebuilding the program. The Air District has been bending or breaking rules in favor of the region's biggest polluters, the oil industry and industrialized agribusiness. Now the extent of resulting shortfalls in needed reductions must be fully understood and reconciled. This project benefits the Valley's 4.3 million people, particularly environmental justice communities where major pollution sources are disproportionately located. As one of the poorest and most polluted places in the nation, reducing air pollution--particularly in disparately impacted communities with Black and indigenous peoples, people of color, and lower income—remains a significant challenge that this project would contribute to addressing.</p>
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**PROJECT TIMELINE**

Provide a timeline for project implementation. Provide a breakdown of the major milestones required to implement the project, including completion dates:

**PHASE 1:**

Objective #1: CVAQ staff review relevant data such as the annual equivalency demonstration, and conduct or contract with previous project partner Earthworks for additional research and review of emission reduction credits and credit banks (Year 1 & Year 2, Quarters 1 and 2).

Objective #2: Share analysis with community members and community based organizations, with a focus on the most impacted communities. Educate community members on options for community benefits and public health protections. Provide information on opportunities for engagement in decision making processes related to the ERC banks (Year 1, Quarter 4 & Year 2).

**PHASE 2**

Objective #1: Hold at least 4 workshops, trainings, and/or other supportive activities to educate and engage advocates and community members on the Emission Reduction Credit banking system in the San Joaquin Valley (Year 1 - end of project).

Objective #2: Engage 15 advocates and community members in at least 10 meetings with decision makers about how to reconcile errors in Emission Reduction Credit banks and permitting system (Year 1, Quarter 4 & Year 2, Quarters 1 and 2).

Total Estimated Cost:

PHASE 1: Year 1: \$62,409 + Year 2: \$62,409 = \$124,818 total

PHASE 2: Year 1: \$34,400 + Year 2: \$34,400 = \$68,800 total

Note that the project is divided into 2 phases over approximately 2 years; the phases can be considered mutually exclusive because objectives can be pursued separately or simultaneously, and objectives or timelines can be adjusted if full funding is not available.

**SELECT THE BENEFIT THAT BEST APPLIES TO THE PROPOSED PROJECT**

Reduction of exposure to air pollution

Emissions reductions

Air quality violations preventions

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**ENVIRONMENTAL BENEFITS**

Describe the specific benefits/drawbacks to the environment and/or the community:

The core goal of this project is to ensure the damage caused to public health caused by incorrect values within the banking system is fully assessed and addressed, with a focus on providing restitution to disproportionately overburdened communities of color and low income communities. Air regulatory agencies and major polluting industries must be accountable for quantifying and reconciling the longstanding problems in this system, along with already committed to goals like making the banking system more understandable and accessible to the public. Community engagement, capacity building, and coordination are fundamental to supporting these outcomes, as is independent research and expertise to fully vet findings and recommendation appropriate remedies.

Emission Benefits: For projects with a direct emissions benefit, please provide an analysis of the emissions prevention or reduction that result from the proposed SEP, and specify the pollutants addressed by the project.

The San Joaquin Valley Air District currently manages banks for NO<sub>x</sub>, VOC, PM 10, CO, SO<sub>x</sub>, CO<sub>2e</sub>, and “other” pollutants. Correcting overcounting in the banks will require regulators and regulated entities develop and deploy advanced strategies for achieving necessary pollution reductions and/or decrease emissions and reduce reliance on credits for future permitting. Particularly, there are serious issues with the nitrogen oxides (NO<sub>x</sub>) and volatile organic compounds (VOCs) banks, with implications for the air basin’s ability to attain the National Ambient Air Quality Standards for ozone and particulate matter.

**ITEMIZED BUDGET**

Provide a detailed list of expected project expenses; include all items to complete the project and the funding needed for each item. Cost breakdown should include capital, operational, and administrative costs (You may attach documents relating to the project to provide additional information (e.g. project timeline, itemized budget):

Please see attachments for itemized budgets.

*(For amendments to projects in implementation phase, include up-to-date project costs to justify funding amounts.)*

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**INSTRUCTIONS FOR COMPLETING THIS FORM**

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Use this form to submit detailed supplemental environmental project (SEP) proposals. Complete this SEP proposal form cover page, and attach the supplementary proposal documents as requested below. Questions may be directed to [SEP@arb.ca.gov](mailto:SEP@arb.ca.gov).

Project proposal submissions shall be directed to either [SEP@arb.ca.gov](mailto:SEP@arb.ca.gov) or mailed to:

Air Resources Board  
Enforcement Division  
ATTN: SEP Program  
P.O. Box 2815  
Sacramento, CA 95812-2815

**PRIVACY STATEMENT**

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Please note that under the California Public Records Act (Gov. Code, § 6250 et seq.), your submissions, including associated contact information (e.g., your address, phone, email, etc.) become public records and may be released to the public upon request. Personal information will be protected from disclosure as required by law, including under the Information Protection Act (Cal. Civ. Code, § 1798, et seq.). Information that is claimed to be confidential should be submitted as provided in CARB's regulations for submitting confidential data, California Code of Regulations, title 17, section 91011.