

# California Climate Investments Woodsmoke Reduction Program



## Colusa County Air Pollution Control District Program Workplan - Year 2

December 2019

### TABLE OF CONTENTS

INTRODUCTION.....	2
I. Program Goals and Objectives.....	2
II. Project Eligibility and Performance Standards.....	3
<a href="#">Existing Wood Stove</a> .....	3
<a href="#">Replacement Device</a> .....	3
III. Voucher Amounts.....	4
<a href="#">Enhanced Incentive Vouchers</a> .....	4
<a href="#">Standard Incentive Vouchers</a> .....	5
IV. Reporting.....	5
V. Workflow.....	6
VI. Attachments.....	7

### Introduction

The Woodsmoke Reduction Program (Program) is part of California Climate Investments, a statewide program that puts cap-and-trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the

environment—particularly in disadvantaged communities. Statute establishes investment minimums for disadvantaged and low-income communities and low-income households. The Program is designed to help households replace an uncertified wood stove or insert used as the primary source of heat with a cleaner burning and more efficient device. The California Air Resources Board (CARB) developed Program Guidelines for the implementation of the Program. The Program will be administered by CARB in coordination with local air districts and the California Air Pollution Control Officers Association (CAPCOA). The Colusa County Air Pollution District (District) will administer Program projects located in Colusa County. This work plan and attached documents outline how the District will administer the Program locally in order meet the goals and requirements of the Woodsmoke Reduction Program Guidelines and associated agreements with CARB.

## I. Program Goals and Objectives

The Program furthers the goals of Health and Safety Code Division 25.5 and reduces GHG emissions by offering incentives toward the replacement of existing uncertified residential wood burning devices used for space heating with certified, high-efficiency devices. To be eligible for the Program, a homeowner or renter (Applicant) must use an uncertified wood stove or wood insert as a primary heat source. The incentive amount will depend on where the property is located and the Applicant's household income, with some households qualifying for full replacement cost. The Program will track households in disadvantaged<sup>1</sup> or low-income<sup>2</sup> communities and low-income<sup>3</sup> households and has the goal to distribute 75 percent of total funding to these populations. Applicants who can demonstrate low-income eligibility based on household income will qualify for higher incentives.

The existing uncertified wood stove, wood insert, or fireplace must be replaced with a certified wood stove, pellet stove, natural gas stove, propane stove, electric stove, or ductless mini-split heat pump. The Program will achieve GHG emission reductions from the increased efficiency and reduced emissions of the newly installed devices. United States Environmental Protection Agency (U.S. EPA) certified wood stoves burn more cleanly and efficiently, thereby reducing greenhouse gas and particulate matter emissions.

The replacement device must be installed by a professional, appropriately licensed stove installer (Installer) and meet local fire and building codes. To ensure that the reductions in

---

<sup>1</sup> Disadvantaged community census tracts are those identified by CalEPA using CalEnviroScreen 2.0. Maps of disadvantaged communities are available at <http://www.calepa.ca.gov/EnvJustice/GHGInvest/>

<sup>2</sup> For the purpose of this program, low-income communities are census tracts with a median household income at or below 80 percent of the statewide median household income or with a median household income at or below the threshold designated as low-income by CA Department of Housing and Community Development's (HCD) State Income Limits adopted pursuant to the Health and Safety Code Section 50093. A final map of low-income communities is under development and is currently available in draft form at: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm>

<sup>3</sup> For the purposes of this program, low-income households are those with household incomes at or below 80 percent of the statewide median household income or with household incomes at or below the threshold designated as low-income by the CA Department of Housing and Community Development's list of state income limits adopted pursuant to Section 50093. Districts will be responsible for verifying household income eligibility.

emissions are permanent, any stove removed through this program must be rendered permanently inoperable and recycled. The Program will include outreach and educational components to both inform residents about the benefits of switching to cleaner burning home heating devices and train them on the proper operation and maintenance to maximize the device efficiency and minimize pollutant emissions.

## II. Project Eligibility and Performance Standards

This Program provides incentives for one replacement per household. The replacement device must be a primary source of heat in the house. The Program is available to both homeowners and renters. In the case of rental properties, formal approval from the property owner will be required as part of the approval process. Retroactive rebates are not available under this program, so Applicants who remove the old device or purchase a new replacement device prior to being approved for this Program will be disqualified. The old, uncertified device must be rendered permanently inoperable and recycled before payment can be issued to the Installer.

### Existing Wood Stove

---

To be eligible for the Program, the Applicant must rely on an existing stove, insert, or fireplace that is uncertified, operational, and used as a primary source of heat in the residence. In order to determine if the existing stove qualifies for the program, the Applicant may do the following:

- Determine when the stove was installed. Stoves installed prior to July 1, 1988 do not comply with the particulate emission standards and therefore qualify for this Program.
- Check the stove model against the U.S. EPA list of current and historically certified wood stoves found on the [List of EPA Certified Wood Stoves](#).<sup>4</sup>
- Check the back of the stove for a certification label. Stoves which do not have any label describing particulate matter emission standards qualify for this Program. Wood stoves certified by the U.S. EPA to comply with the particulate emission standards are not eligible for this Program. These stoves will have a label permanently affixed to them stating that the stove is certified to comply with 1988, 1990, 2015, or 2020 standards.

The Applicant will certify the eligibility of their current wood stove on the Voucher Application Form. The application will be reviewed by the District to determine if preliminary qualification requirements have been met. The stove's eligibility will be verified by the Installer during an in-home estimate.

### Replacement Device

---

The uncertified wood stove or wood insert must be replaced by a cleaner-burning and more efficient device. Applicants may select one of the following replacement options:

---

<sup>4</sup> <https://www.epa.gov/compliance/list-epa-certified-wood-stoves>

- U.S. EPA certified wood or pellet stove / insert. Prior to May 15, 2020, new EPA certified wood and pellet stoves / inserts must meet Step 1 or Step 2 standards with a 2.0 grams per hour emission rate. After May 15, 2020, new EPA certified wood and pellet stoves / inserts must meet Step 2 standards with a 2.0 grams per hour emission rate.
- Natural gas home heating device;
- Propane gas home heating device;
- Electric home heating device, or;
- Ductless mini-split heat pump.

The replacement device must be installed by a professional, appropriately licensed Installer participating in this Program. The installation must adhere to all applicable local and State building codes. A list of participating Installers will be established by each participating District. Self-installation of heating devices will not be allowed under this Program. Any building permits or other required approvals shall be obtained per local or State ordinances and shall be the responsibility of the Installer or the Applicant. The Applicant will also agree to receive training on proper wood storage and wood burning practices (if applicable) and device operation and maintenance.

Installers interested in participating in this program must agree to the terms and conditions of this Program by signing an agreement with the District. Only Installers who have a signed agreement with the District will be eligible to participate in the Program.

### III. Voucher Amounts

#### Enhanced Incentive Vouchers

Applicants that are eligible for Enhanced Vouchers will receive a voucher that will cover all eligible project costs up to a maximum of **\$5,000**. Designer upgrades and work not necessary for the safe operation of the new device will not be considered. Eligible project costs include the cost of the new device including sales tax, installation including any parts, materials, permits, or labor required for the safe and legal installation of the device and disposal of the old stove or insert. All eligible costs must be supported by appropriate documentation. The Installer will be required to provide a base estimate for the installation of a basic model that will be safe, clean-burning, and efficient. Upgrades above the base estimate will be paid by the Applicant. Districts will pay the Retailer the approved incentive amount. Any additional balance due will be paid by the Applicant.

Applicants are eligible for the Enhanced Voucher if the wood-burning device is in a census tract within Colusa County designated as a Low Income Community or Disadvantaged Community. Low income communities are identified on the following map: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm>.

Applicants may also demonstrate their income eligibility by submitting proof of participation in one of the following low-income assistance programs:

- U.S. Department of Agriculture Women, Infants and Children (WIC) Program;

- U.S. Department of Health and Human Services Low Income Energy Assistance Program (LIHEAP);
- California Alternate Rates for Energy (CARE) Program with any utility company;

Applicants with household incomes between 60 and 80 percent of MHI do not typically qualify for the programs listed above. Therefore, to qualify for the Low Income Qualified Voucher, the Applicant will have to demonstrate their income eligibility directly to the District. This could be accomplished by presenting pay stubs, tax returns, or income statements for each person living in the residence and, if qualifying using the HCD low-income limits, reporting the number of people in the household. Currently under MHI, any household with income not exceeding \$53,735 is considered low-income. The HCD low-income limits vary depending on the county and household size. See footnotes on page 2.

### Standard Incentive Vouchers

Applicants not eligible for the Enhanced Voucher will be eligible for a Standard Incentive Voucher valued at **\$1,000**. The voucher may be used towards eligible project costs.

## **IV. Recordkeeping and Reporting**

CAPCOA and the Districts will be responsible for reporting and recordkeeping. All reports must be consistent with the quantification methodologies<sup>5</sup> and reporting guidance<sup>6</sup> developed by CARB and the requirements established in these Program Guidelines. Some reported project information will be publicly available on the CARB website, including the amount of funding that is being spent on projects that benefit disadvantaged communities, low-income communities, and low-income households.

In order to document and calculate reductions in GHG, black carbon, and criteria pollutants emissions, and document other co-benefits and benefits to disadvantaged communities, low-income communities and low-income households, Districts will be responsible for collecting, maintaining, and reporting to CAPCOA and/or CARB the following information for each replacement device:

- Tracking number for each device;
- Location of replaced device;
- Incentive amount and, if applicable, verification that Applicant qualifies for an Enhanced Incentive based on the location of the property in a disadvantaged or low-income census tract or Applicant's household income;
- Criteria the project meets for benefiting a disadvantaged community, low-income community, or low-income household and description of how the project meets a community need;
- Type of wood stove being replaced;
- Replacement device type and model;
- Quantity of wood burned annually before replacement;

<sup>5</sup> Available at [www.arb.ca.gov/ccj-quantification](http://www.arb.ca.gov/ccj-quantification)

<sup>6</sup> Available at [www.arb.ca.gov/ccj-fundingguidelines](http://www.arb.ca.gov/ccj-fundingguidelines).

- Replacement device emission rates and efficiency (if available);
- Installation date;
- Verification of destruction of uncertified stove (including recycling if available locally) or where applicable, verification of rendering fireplace and chimney permanently inoperable;
- Verification that the resident was trained on following best practices in wood storage, wood burning for residential space heating, and device maintenance requirements of a new device;
- GGRF dollars spent;
- Information on jobs and training opportunities created and whether employees are residents of disadvantaged or low-income communities or low-income households.

The District will periodically report to either CARB or CAPCOA, depending on direction from CARB. Project data are reported during each semi-annual reporting cycle. The reporting cycles cover December 1 through May 31 and June 1 through November 30. The reports are due to CARB on June 1 and December 1. Districts shall submit an initial Project report called Awarded Report upon entering into a Project agreement with CARB. At this stage, Districts must submit data with Project details and expected benefits. This report is submitted once during the first reporting cycle after signing the Agreement in a format agreed upon between the CARB Program Liaison and the District. The District shall submit Implementation Reports each reporting cycle. The Implementation Reports shall be provided in a format agreed upon between the CARB Program Liaison and the District and will contain information on each change-out completed during the reporting cycle. When the Project is complete, the Grantee shall submit a Project Closeout Report. The Project Closeout Report shall be provided in a format agreed upon between the CARB Program Liaison and the District. This report shall be submitted upon completion of the Project at the next reporting cycle.

Following receipt of funds, Districts will submit quarterly fiscal accounting reports (Fiscal Report) to CAPCOA detailing expenditure of funds by Grantee, including interest accrued on any Project funds received. The Fiscal Reports shall be provided in a format agreed upon between the CARB Program Liaison and the District and needs to include an itemized invoice of all expenditures incurred during the quarter.

The table below includes important reporting milestones.

Task	Milestone Description
1	Execute Grant Agreement <b>(by April 1, 2020)</b>
2	Receive funds <b>(by June 30, 2020)</b>
3	Submit "Awarded" Reports to CARB <b>(June 1, 2020)</b>
4	Begin installations
5	Submit "Implemented" Reports <b>(semi-annually)</b>
4	Submit "Fiscal" Reports <b>(quarterly)</b>
5	Complete installations <b>(by June 30, 2022)</b>
6	Submit "Closeout" report <b>(by December 1, 2022)</b>
7	Submit "Project Outcome" Reports as requested by CARB

## V. Workflow

The following workflow will be used to expend funds in a timely manner and to track information required by CARB and CAPCOA:

1. Prior to Program implementation, the District will train Participating Retailers and sign the Retailer Agreement. The District will also conduct outreach to notify unawarded applicants about the Program. Applicants that submitted an unfunded eligible application during the FY 2017-18 (Year 1) round of funding will receive priority in the order that they applied. If the pool of existing applications is depleted, the District will conduct outreach to the public to announce a new application period.
2. Existing applicants and new applicants will need to complete a new Voucher Application Form.
3. District Staff will review the application for completeness. If the Applicant supplies personal financial information or information about enrollment with other low-income assistance programs to qualify for an Enhanced Voucher, District Staff will review the documents to verify eligibility and return those documents to the Applicant. The District will not retain sensitive financial information regarding the Applicant. If such records are delivered to the District, District Staff will destroy or return sensitive financial information immediately after review for eligibility.
4. Vouchers will be issued in the order that applications were originally received, with an expiration date of four (4) weeks from issuance.
5. Vouchers will be accepted by Participating Retailers at the time of sale and applied as a discount. Retailers will notify the District of a sale once the customer has signed a contract or entered into a binding purchase agreement.
6. Installation must be completed by a licensed contractor with a valid building permit within 90 days of purchase. The retailer / installer will complete the Voucher Tracking Form to track progress. When the old device is delivered to the recycler, the Recycler Certification Form will be completed.
7. Retailers will provide training to the applicant to ensure the new device is properly operated and maintained to maximize energy efficiency and achieve the lowest possible emission rates. The Acknowledgement of Training Form will be used to document the training requirement.
8. Retailers will be reimbursed by the District once the installation is complete, the replaced device is properly dismantled and recycled, and required documents are submitted to the District.
9. The District will submit the required documentation and reports to CAPCOA and retain all necessary Program information.

## **VI. Attachments**

1. Voucher Application Checklist Cover Letter
2. Voucher Application Form
3. Voucher
4. Retailer Checklist Cover Letter
5. Voucher Tracking Form
6. Recycler Certification Form
7. Owner / Tenant Agreement for Rental Properties
8. Retailer Agreement
9. Acknowledgement of Training Form