



Methodology for Identifying and Evaluating Pollution Reduction Actions under the Climate Pollution Reduction Grant Program

PROGRAM OVERVIEW

The Indiana Department of Environmental Management (IDEM) is participating in the U.S. EPA's Climate Pollution Reduction Grant (CPRG) Program and was awarded a \$3 million planning grant in July 2023. Through this program, IDEM aims to promote sustainability, enhance our state's resiliency to environmental challenges, and safeguard our natural resources.

The CPRG program provides \$5 billion in grants to states, local governments, tribes, and territories to develop and implement ambitious plans for reducing greenhouse gas (GHG) emissions and other harmful air pollution. Authorized under Section 60114 of the Inflation Reduction Act, this two-phase program provides \$250 million for noncompetitive planning grants, and approximately \$4.6 billion for competitive implementation grants.

Planning grant recipients are using the funding to design climate action plans that incorporate a variety of actions to reduce emissions from across their economies in six key sectors (electricity generation, industry, transportation, buildings, agriculture/natural and working lands, and waste management). Planning grant recipients must submit the following deliverables to the EPA:

- March 1, 2024 Priority Climate Action Plan (PCAP)
- April 2024 Implementation Grant Application
- Summer/Fall 2025 Comprehensive Climate Action Plan (CCAP)
- Summer/Fall 2027 Status Report

IDEM is working with <u>ClimeCo</u>, a global sustainability solutions advisor, to evaluate and quantify actions with the potential to benefit communities and create jobs while reducing air pollution.

STEPS FOR EVALUATION AND QUANTIFICATION OF POLLUTION REDUCTION ACTIONS

According to the CPRG guidance, the PCAP must include a focused list of near-term, high-priority, implementation-ready actions. The selection of pollution reduction actions should be based on GHG emissions information and focus on achieving the most significant GHG reductions possible, while considering other relevant planning goals. The rationale for selecting an action for the plan may also include other factors, such as reduction of co-pollutants (including criteria pollutant/ precursors and air toxics), benefits to low-income and disadvantaged communities, cost-effectiveness, or other economic factors.

The following tables outline draft pollution reduction actions that are being considered for inclusion in the PCAP. All actions are considered to be near-term and high-priority for the state of Indiana. Tier 1 actions are widely applicable, high impact decarbonization strategies frequently included in state climate action





plans. Tier 2 actions include other strategies with the greatest GHG reduction potential for the state of Indiana based on its preliminary GHG inventory. These actions have been selected from a list of 59 actions based on the following criteria:

- Frequency based on an analysis of 26 climate action plans released between 2008 and 2023
- Potential for GHG reduction based on Indiana's GHG profile and dominant sectors
- Timeframe for impact of reduction actions on GHG emissions
- Implementation costs and resources, and available funding sources
- **Potential impacts** on Low-Income and Disadvantaged Communities (LIDAC)
- **Potential co-benefits** (e.g., economic development, job creation, public health impacts, energy resilience, environmental justice, etc.)

The list of all 59 actions is publicly available on IDEM's website and upon request by emailing cprg@idem.in.gov.

STAKEHOLDER ENGAGEMENT & INPUT COLLECTION

IDEM is looking to engage with a wide variety of stakeholders and industries to conduct meaningful engagement, collect feedback, and help shape Indiana's plan. A series of public meetings will be held across the state to inform the development of both the PCAP and CCAP. The agenda and details for viewing the meeting by livestream will be added on IDEM's website when available.

In addition, stakeholders can provide feedback on draft actions via email or survey to be posted on IDEM's website. To share additional actions for consideration, please email <u>cprg@idem.in.gov</u>, and include estimates of pollution reduction potential and benefits for communities.

DRAFT ACTIONS FOR STAKEHOLDER ENGAGEMENT

Sector	Strategy	Action
Electric	Expand zero- and low-carbon	Maintain, develop, and expand utility-scale
Generation	energy production and	renewable energy generation (includes solar,
	distribution	wind, hydropower, geothermal, green hydrogen)
Residential and	Increase residential and	Building retrofitting and weatherization for
Commercial	commercial building energy	energy efficiency improvements
Buildings	efficiency	
Transportation	Accelerate adoption of electric	Electrify vehicles in state/city fleets
	vehicles and technology	
Transportation	Reduce VMT	Enhance high occupant vehicle travel options
Waste & Materials	Increase landfill diversion	Increase diversion rate of organic waste from
Management		landfill

Tier 1 Actions





Tier 2 Actions

Sector	Strategy	Action
Agriculture /	Increase carbon sequestration	Expand implementation of agriculture best
Natural & Working	capacity	practices (crop and livestock management)
Lands		
Electric	Expand zero- and low-carbon	Maintain, develop, and expand clean energy
Generation	energy production and	production (includes nuclear, biowaste, blue
	distribution	hydrogen with carbon capture)
Industry	Expand use of electric and	Electrify industrial processes (especially low-
	green hydrogen industrial	and medium-heat processes)
	processes and technologies	
Industry	Reduce direct industrial GHG	Implement carbon capture, utilization, and
	emissions	storage projects (CCUS)
Transportation	Accelerate adoption of electric	Electrify light-duty vehicles
	vehicles and technology	
Waste & Materials	Increase waste-to-energy	Install and expand landfill gas collection systems
Management	generation	renewable natural gas (RNG) generation)

<u>GLOSSARY</u>

Action: Refers to programs, policies, measures, and projects that will achieve or facilitate the reduction of greenhouse gas air pollution.

Evaluation: Refers to the identification of potential GHG actions for a given sector or source and the evaluation of the GHG reduction potential, costs, and other benefits associated with implementation of the action.

Quantification: Refers to modeling or the application of other tools or resources to quantify the GHG reductions that would occur annually over the project's lifetime if implemented.



For more information and updated information on IDEM's implementation of the CPRG program, consult IDEM's website at <u>www.in.gov/idem/airquality/climate-pollution-reduction-grant-cprg-program/</u>.



For more information on the Climate Pollution Reduction Grant Program, consult the dedicated page on the website of the EPA available at <u>www.epa.gov/inflation-reduction-act/climate-pollutionreduction-grants</u>.