

**Fairbanks PM2.5 Nonattainment Area Voluntary Heating Device Change Out Program**

**FY2018 Request: \$2,477,250**  
**Reference No: AMD 61721**

**AP/AL:** Appropriation

**Project Type:** Life / Health / Safety

**Category:** Health/Human Services

**Location:** Fairbanks (Areawide)

**House District:** Fairbanks Areawide (HD 1-5)

**Impact House District:** Fairbanks Areawide (HD 1-5)

**Contact:** Denise Koch

**Estimated Project Dates:** 07/01/2017 - 06/30/2022 **Contact Phone:** (907)463-5105

**Brief Summary and Statement of Need:**

This project continues a voluntary heating device change-out program for residents in the Fairbanks North Star Borough's fine particulate matter (PM2.5) nonattainment area. The program is aimed at minimizing particulate matter emissions and improving air quality in the Borough. The Borough has the highest recorded levels of PM2.5 in the nation. Federal grant funds are anticipated from the Environmental Protection Agency (EPA) through the Targeted Air Shed Program.

<b>Funding:</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>Total</b>
1002 Fed Rcpts	\$2,477,250						\$2,477,250
<b>Total:</b>	<b>\$2,477,250</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,477,250</b>

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input checked="" type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Prior Funding History / Additional Information:**

Sec1 Ch18 SLA2014 P10 L12 SB119 \$1,000,000  
 Sec36 Ch18 SLA2014 P120 L25 SB119 \$1,000,000  
 Sec1 Ch17 SLA2012 P23 L32 SB160 \$2,500,000  
 Sec1 Ch17 SLA2012 P47 L23 SB160 \$850,000  
 Sec1 Ch5 SLA2011 P30 L33 SB46 \$3,000,000

**Project Description/Justification:**

The Fairbanks North Star Borough (FNSB) has the highest recorded levels of fine particulate matter air pollution (PM2.5) in the nation. Wood smoke is the primary source of the PM2.5 pollution. EPA has proposed to reclassify the FNSB from a moderate to a serious nonattainment area. As a result of that reclassification, EPA will require the FNSB and State to implement stricter air pollution controls in the area.

Changing out older, more polluting home heating devices is an effective way to reduce air pollution. The voluntary program allows residents with older and more polluting home heating devices to replace those devices with a low emitting home heating device that is appropriately sized and installed. The list of replacement devices includes EPA-certified devices, masonry heaters, and

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devices powered by home heating oil, natural gas, propane, electricity, and district hot water where available. The Department of Environmental Conservation estimates that 630 solid fuel (e.g. wood, coal, etc.) fired heating devices would be replaced, removed, or repaired through this voluntary program. Based upon information from the FNSB's 2015 and 2016 change out program, program participants qualified for an average reimbursement of approximately \$3,800.

The Division of Air Quality applied for this project through a nation-wide competitive grant program called the Targeted Air Shed Grant. EPA has provided the Department with notification that this project application has been selected for award. The Department expects to receive the grant. However, the award will not be official until EPA issues a final notice of award approval. There is no state fund match required for this federal grant. If authorized to receive this federal grant money, the Department plans to partner with the Department of Commerce, Community, and Economic Development and the FNSB to run the Change Out Program detailed in the grant application.