

# VALE Voluntary Airport Low Emission Projects

July 2005

## VALE—Federal Funding for Air Quality Projects



### VALE Program Overview

The recently enacted *Vision 100–Century of Aviation Reauthorization Act* included funding mechanisms for voluntary air emission reduction projects (e.g., infrastructure projects, clean vehicles, and transit projects). The VALE guidance documents, which were issued in October 2004, allow airport operators to use passenger facility charge (PFC) and Airport Improvement Program (AIP) money for air quality projects. Importantly, the law expanded the criteria of the AIP noise set-aside to include voluntary air quality emission reduction projects. Seeking more set-aside funds will not reduce the amount an airport is scheduled to receive under existing noise compatibility programs.



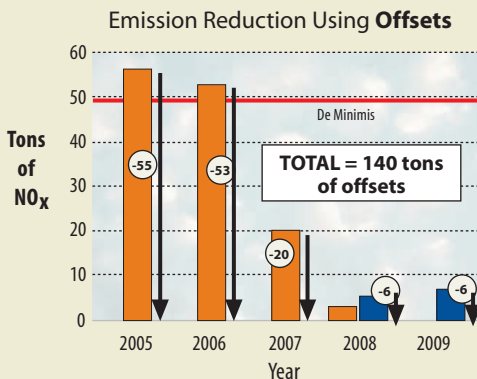
### VALE Program Benefits

A criterion for receiving VALE funds is having an agreement with the state environmental agency ensuring that the airport retains emission reduction credits. VALE allows those credits to be used as "design measures" in future general conformity determinations (*see below*). This opportunity to apply the reductions as "design measures" means that some airport operators may be interested in having a project participate in the VALE program, regardless of total federal funding (i.e., take \$1 of federal funds so an airport can use these "design measures"). All airport operators should explore the potential benefits of participating in the VALE program.

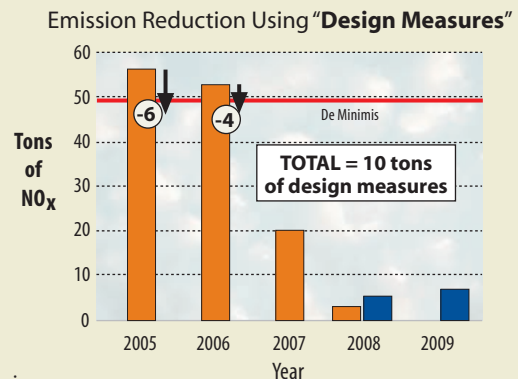
## VALUE OF DESIGN MEASURES

Using emission offsets that can be purchased or achieved on-site, entire project emissions must be reduced (graph 1). Using design measures, emissions only need to be reduced below the general conformity "de minimis" level (graph 2).

### SAMPLE AIRPORT PROJECT EXCEEDING *de minimis* LEVELS



**Without VALE**



**With VALE**

Project-related emissions

- Construction
- Operations



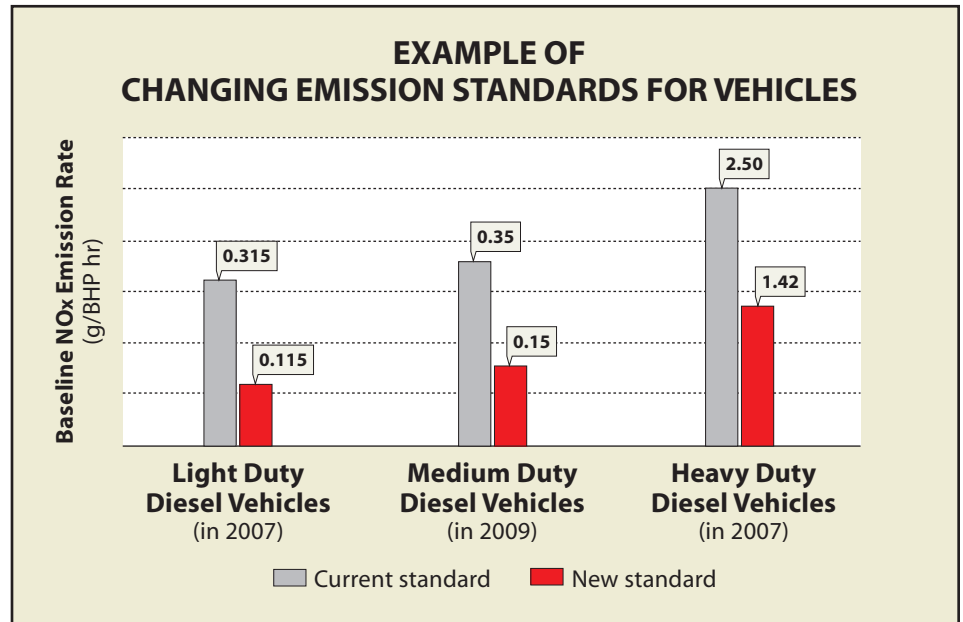
**Emission Reduction Assessment**

The VALE program specifies the method by which emission reductions are quantified. It requires airport operators to calculate the VALE project's emission reductions throughout the life of the project based on the "baseline" emission standards that are in place the year a project is funded. Given that over the next three years many emission standards will be dropping precipitously, the cost effectiveness and total emission reductions resulting from VALE projects will similarly decrease. Thus, it is essential that airport operators act quickly and submit projects.

FAA general guidance on the cost effectiveness of emission reduction projects is illustrated in the attached table for each criteria pollutant.

**How Jacobs Consultancy Can Help**

Jacobs Consultancy has expertise in negotiating agreements with state environmental agencies as well as experience with emission reduction quantification for a variety of airport "Green Projects." Thus, Jacobs Consultancy is uniquely qualified to assist airport operators seek VALE funding. Further, Jacobs Consultancy can ensure that a VALE agreement supports strategic growth plans.



**PROJECT COST EFFECTIVENESS FOR FAA FUNDING**

Pollutant	Cost Effectiveness (\$/ton)
Ozone (NO <sub>x</sub> and VOC)	\$5,000 to \$10,000
Carbon monoxide (CO)	\$1,000 or less
Particulate matter (PM <sub>10</sub> )	\$25,000 to \$50,000
Particulate matter (PM <sub>2.5</sub> )	To be determined
Sulfur dioxide SO <sub>2</sub>	Not applicable

Jacobs Consultancy has assisted numerous airport operators with strategic environmental projects, including air inventories, general conformity determinations, NEPA determinations, and noise programs as well as the funding of these programs. Our expertise in FAA's financial and environmental programs makes Jacobs Consultancy uniquely suited to help an airport operator acquire VALE funding.

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