

CA - PMM

Project Name: CA Reformulated Gas (CARFG) Public Reporting Tool

OCIO Project #: _____

Department: Air Resources Board

Revision Date: 10/14/10

Concept Statement

Description

Brief description of the proposed project:

The ARB proposes to implement a compliance reporting and monitoring application for the Fuels Enforcement CaRFG program that adheres to RFG regulations and improves processes. The system will allow California Producers and importers of CaRFG to certify Phase III Reformulated Gasoline, submit their data to the ARB, and automate ARB's monitoring evaluation and reporting processes using the data submitted. The compliance reporting and monitoring system will include all current CaRFG3 requirements and allow for adoption and compliance reporting of new regulations. The system will be flexible and scalable to accomodate future workloads, Regulations, and facilitate enterprise-wide data sharing.

Need Statement

High Level Functional Requirements:

The processes required for the tracking and reporting of compliance will be automated. The systems will allow Producers and Importers of Fuel to certify their fuel formulation by submitting formulation data to the ARB. The system will automate ARB business process to send automated e-mail messages, automate monitoring and evaluation of compliance data, allow for standardized reporting of data as well as ad-hoc reporting based on selected fields within the application database, automate inspection scheduling, capture inspection results, provide interface with Enforcement Investigations to trigger an investigation/audit when required, allow the ability to attach and access appropriate documents to producers and importers files, and provide access for producers and importers to their own specific data that resides in the application.

What is Driving This Need?

The Fuels Enforcement program for CaRFG phase III (CaRFG3) regulations is dependent on an outdated, non-maintainable application developed in Powerbuilder, PACE-CTR. 1. This application cannot be modified to reflect the Phase III regulations which were modified by the Board in 2007. 2. Any delays in the fuel enforcement process could have an adverse effect on the fuel supplies within the state of California. 3. Data calculation and integrity issues because the producers use Microsoft Excel spreadsheets (Predictive Model spreadsheets supplied by ARB) to enter their data and calculate validity of their formula.

Risk to the Organization if This Work is Not Done:

1. ARB processes will become increasingly manual and require inordinate amounts of staff time.
2. ARB may not be able to identify non-compliance and stop the transfer or commingling of the fuel
3. Fuel could be introduced into the supply chain that does not meet the Phase III regulations.

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Benefit Statement

Intangible Benefits

Process Improvements (describe the nature of the process improvement):
The processes required for the tracking and reporting of compliance will be automated, requiring less staff time and thereby freeing up the Fuels Enforcement investigators to evaluate more predictive model reports and enforce compliance with CaRFG3 requirements in a timely manner. This will result in fewer non-compliant batches of fuel reaching the market and being used in California.

Other Intangible Benefits:
Ease and convenience of use, using a web-based system.

Tangible Benefits

Revenue Generation (describe how revenue will be generated):
N/A

Cost Savings (describe how cost will be reduced):
ARB's costs (e.g. Staff manual processing time) would be lower with the proposed system than if it had to manually conduct the processes. The details will be determined in the FSR.

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Cost Avoidance (describe the cost and how avoided):
N/A

Risk Avoidance (describe the risk and how avoided):
Reduce risk and avoid associated costs for:
1. Processing errors associated with manual processing.
2. Not identifying non-compliance and stop the transfer or commingling of the fuel
3. Fuel introduced into the supply chain that does not meet the Phase III regulations.

Improved Services:
Producers and Importers (i.e. Regulated Entities) will be provided greater convenience, ease of use, improved data reporting and general improved ability to comply with CARFG requirements. ARB Enforcement staff will have improved compliance monitoring tools with the automated system and improved efficiency allowing reallocation of staff resources.

Consistency

"No" Responses 		Rationale	Action Required
Enterprise Architecture	Yes		
Business Plan	Yes		
Strategic Plan	Yes		

Impact to Other Entities

Nature of Impact to Other Entities

Entity: California Environmental Protection Agency

Describe the nature of the impact:

The project will support Cal/EPA's efforts to improve the environment generally and specifically to improve air quality and to reduce global climate change.

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Entity: California Resources Agency

Describe the nature of the impact:

The project will improve air quality and reduce global climate change which negatively impacts animals, plants and other organisms found in the natural environment for which the Resources Agency and its constituent departments have responsibility.

Entity:

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Solution Alternatives

Alternative 1:
Purchase of Commercial-Off-The-Shelf (COTS) Software

Technical Considerations for Alternative 1:
After careful review and consideration, the ARB has concluded that there are no known commercial packages that would meet the needs and requirements of the State of California and the ARB without extensive, and expensive, modifications and enhancements.

ROM Cost:	\$500,000	to	\$1,000,000	Note: high end of range must not exceed 200% of low end of range
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Alternative 2:
Acquire and modify a solution from another state

Technical Considerations for Alternative 2:
California and the ARB has long been a world leader in combating air pollution emitted from motor vehicles and other mobile sources. Because of the state's severe air quality problems, California is the only state authorized under the Federal Clean Air Act to set its own motor source emissions and fuels standards. As a result, the ARB has concluded that no other states have implemented a solution that could meet the requirements of the CaRFG3 Reporting and Tracking System without extensive modifications and enhancements.

ROM Cost:	N/A	to	N/A	Note: high end of range must not exceed 200% of low end of range
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Alternative 3:
The development of the CaRFG3 Reporting and Tracking system

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Technical Considerations for Alternative 3:

A contractor will develop a reporting, monitoring and tracking application for the Fuels Enforcement CaRFG program. The software will be implemented using technology consistent with ARB's current web application and development platforms.

ROM Cost: \$300,000 to \$500,000

Note: high end of range must not exceed 200% of low end of range

Recommendation

Comparison:

Alternative 1	ROM Cost			Risk
Purchase of COTS Software	\$500,000	-	\$1,000,000	High risk of cost and schedule overruns
Alternative 2	ROM Cost			Risk
Acquire/modify another State's solution	N/A	-	N/A	N/A
Alternative 3	ROM Cost			Risk
Develop CaRFG Reporting and Tracking	\$300,000	-	\$500,000	Some risk that developer be unable to develop/deliver timely

Conclusions:

1	No known commercial packages that would meet the needs and requirements of the project
2	No other states have implemented a solution that could meet the requirements of the project
3	Contractor developed CARFG tool would provided the most cost effective and timely response to the project needs
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Recommendation:

The development of the CaRFG3 Reporting and Tracking system is consistent with the needs and objectives of the ARB. The evaluation criteria used in assessing this and other solution alternatives are: 1. Cost Effectiveness - the proposed solution is the least costly solution that meets the needs and objectives available to the ARB and can be feasibly implemented; and 2. Timeliness - the ARB considered the length of time it would take to implement the proposed solution and the other alternative considered. Under this criterion, the proposed solution is deemed most likely to be successfully developed and implemented in the required timeframe.

Project Approach *(if known)*

System Complexity:			System Business Hours: <i>(e.g., 24x7, 9am-5pm)</i> :		
Architecture	<input type="checkbox"/> Mainframe	<input type="checkbox"/> Client Server	<input checked="" type="checkbox"/> Web Based		Num. of New Databases:
Technology	<input type="checkbox"/> New	<input type="checkbox"/> New to Staff	<input type="checkbox"/> In-House Experience		Interfaces:
Implementation	<input type="checkbox"/> Central Site	<input type="checkbox"/> Phased Roll-out			Num. of Sites:
M & O Support	<input type="checkbox"/> Contractor	<input type="checkbox"/> Data Center	<input type="checkbox"/> Project	<input type="checkbox"/> In House	
Procurement Approach: The ARB anticipates contracting with an entity for the development, testing, and implementation and training assistance with the CaRFG Reporting and Tracking system.					Number of Procurements:
Open Procurement?		Delegated Procurement?			
Scope of Contract	<input checked="" type="checkbox"/> Development	<input checked="" type="checkbox"/> Implementation	<input type="checkbox"/> M & O	<input type="checkbox"/> Other:	
Anticipated Length of Contract:		Years /		extensions for years	