



Minutes for the AQMP Advisory Group Meeting Wednesday, April 11, 2007

1. Welcome and Introduction

Dr. Elaine Chang, Deputy Executive Officer, Planning, Rule Development and Area Sources, called the meeting to order at 9 a.m. and presented a brief overview of the agenda for the meeting. There were no comments on the March 2007 minutes.

2. AQMP Status and Update

Mr. Joe Cassmassi, Planning & Rules Manager, gave a summary on the recent activities related to the 2007 AQMP. On April 30, staff would conduct a 3-agency study session with CARB and the U.S. EPA, which hopefully would resolve the differences between the three agencies on the approach for clean air. On March 29, the U.S. EPA had finalized its Final PM_{2.5} implementation Rule for the 1997 PM_{2.5} standards. The final rule reaffirmed the non-attainment classification of the area, and set the attainment date(s) for the basin by 2010. A one-time maximum 5-year extension was allowed until 2015 if the basin can demonstrate severity of problem and commit to implement stringent control measures. An attainment date extension beyond 2015 is currently not available. The rule did not address the recently modified PM_{2.5} 24-hour standard.

CARB recently released their proposed regulation on in-use off-road construction equipment on April 14. This regulation proposes strategies for off-road equipment which are less aggressive than outlined in their draft State Implementation Plan (SIP) due to: a slower turn-over requirement in early years and a delay in the compliance date. The impact was 3.5 tons per day less NO_x reductions in 2014 and consequently created an increase in PM_{2.5} shortfall to 74 tons per day by 2014.

SCAG has recognized PM_{2.5} issue as a national emergency and will work to ensure CARB will vigorously pursue all available options to achieve PM_{2.5} standard, secure federal commitments, continually support the control of emissions from ocean-going vessels, seek innovative financing to help fund high-capacity truck lanes and high speed/clean train technology, permit regional airports to base landing fees on aircraft emissions, and pursue all actions for implementation of alternative clean freight movement system.

Comments on proposed modifications to the 2007 AQMP were centralized around several control measures. Regarding Facility Modernization (Control Measure MCS-01), it was recommended that staff should provide additional information on costs, permitting, useful life of control equipment, NSR and the inconsistency with the limitation provided by H&S Code. Regarding Natural Gas Specifications (CMB-04), concerns were raised on the lack of legal authority, supply availability, price increase, and cost effectiveness. For Emission Charges \$5,000 per Ton (MCS-08), concerns were raised on equitability issue, and since an appeal was submitted to the court, it was recommended that staff delay this measure until the rehearing is complete. For Growth Management (EMB-01), concerns were raised on housing affordability impacts, development of applicability thresholds, and delays in development permitting. For Space Heaters (CMB-03), concerns were raised on the possibility of technology transfer and cost-effectiveness. It was also believed that justification for black-box measures were insufficient to support the bump-up request and that the portion of the plan reductions (40%) relying on these measures was too high.

Staff conducted several meetings with peer-modeling reviewers, and many recommendations were received in the area of modeling, episode selection, estimation for organic carbon, impact of PM_{2.5} strategy on ozone attainment, evaluating observed trends to support control strategy development, and approach for interpolating or extrapolating regional air quality impacts. Staff planned to follow-up with remaining peers for their comments via phone. Socioeconomic analysis would be finalized by April 13, Regional Public Hearings would be conducted in April 17-19 and Public Hearing on May 4.

3. Update on the State SIP

The revised State SIP will be released in early May. CARB will conduct a regional hearing in South Coast on June 21, and a hearing in San Joaquin on June 14.

4. Socioeconomic Analysis

Dr. Sue Lieu, Program Supervisor, Rule Development and Area Sources, gave a brief presentation on the draft socioeconomic analysis. She indicated that the socioeconomic analysis provided information on health benefits,

visibility, benefits for congestion relief and materials and crops, as well as capital expenditures and annual O&M expenditures, job impacts by industry, occupation, race, ethnicity, and impacts at sub-county geography and impacts on competitiveness.

The change in health effects (number of avoided mortality, acute bronchitis, heart attacks, etc.), benefits (in terms of million dollars), job impacts, and overall costs due to the implementation of the 2007 AQMP were presented. The costs of implementing the 2007 AQMP were estimated to be \$2.35 billion, and annual benefits at \$20.4 billion greatly exceeded the costs.

The following comments/questions were received at the meetings.

1) *Cost information and economic analysis were not fully provided in Appendix IV. In addition, the offset at \$10,000 threshold limit per ton PM2.5 was not being considered for meeting the PM standard. The District should commit to making changes to its offset program and seeking Congress's approval to the alternative program if needed. (Bob Wymann)*

2) Cost and economic parameters are not being seriously considered in the AQMP for selection of control measures

3) *We need more time to evaluate potential changes from April 30 meeting (Lee Wallace)*

AQMD staff responded that we will certainly allow more time if there are significant changes.

4) *The costs for un-quantified measures were estimated low. How can the District predict an increase in manufacturing jobs without analyzing the zero offset policy? (Bob Wymann)*

AQMD staff responded that un-quantified measures are usually long-term measures with short implementation time frame, and staff will refine the costs as technology surfaces. An offset policy is not expected to effect growth and jobs in the manufacturing sector due to other factors playing a bigger role.

5. Closing Remarks/Scheduling Next Meeting/Adjourn

There were no additional public comments. Dr. Chang adjourned the meeting at approximately 12:00 p.m.

April 11, 2007 AQMP Advisory Group Meeting

MEMBERS PRESENT

Stacy Alameida, Los Angeles County MTA
Ed Avol, University of Southern California
Curtis Coleman, Southern California Air Quality Alliance
Diane Forte, Coalition for Clean Air/Environment Now
Rick Gould, City of Santa Clarita
Gretchen Hardison, City of Los Angeles
Bill LaMarr, California Small Business Alliance
Adriano Martinez, Natural Resources Defense Council
Anastacio Medina, American Lung Assn. of Los Angeles
Clayton Miller, Construction Industry Air Quality Coalition
Jonathan Nadler, SCAG
Rebecca Rosen, U.S. EPA
Paul Ryan, P.F. Ryan & Associates
Gary Stafford, Calif. Furniture Manufacturers Association
Lucille Van Ommering, California Air Resources Board
Carla Walecka, Realtors Committee on Air Quality
Lee Wallace, SoCal Gas Company
Bob Wyman, Latham & Watkins

OTHERS PRESENT

John Billheimer, Enviro-Reality
Ryan Graham, San Bernardino Associated Governments
Patrick Griffith, Los Angeles County Sanitation District
Miles Heller, BP
Lori Huddleston, L.A. County MTA
Dave Jesson, U.S. EPA
Julia Lester, ENVIRON International Corp.
Bruce Moore, LADWP
Ralph Morris, ENVIRON International Corp.
Sylvia Oey, CARB
Karen R. Polenske, MIT
Arnie Sherwood, ITS, UCB, SCAG
Momo Takahashi, Kesal, Young & Logan
Ivan Tether, California Independent Petroleum Association
George Treyz, Regional Economic Models Inc.

MEMBERS ABSENT

Greg Adams, Los Angeles County Sanitation District
Ralph Appy, Port of Los Angeles
Jacki Bacharach, South Bay Cities Council of Governments
Howard Berman, Environmental Mediation
Don Blose, American Lung Association of Inland Counties
Gerry Bonetto, Printing Industries of California
Art Brown, City of Buena Park
Shep Burton, Consultant
Paul Choe, Korean Drycleaners-Laundry Association
Nathan DeBoom, Milk Producers Council
Bob Dulla, Sierra Research
Bahram Fazeli, Communities for a Better Environment
Vernon Hall, Clean Air Now
David Hayes-Bautista, Center for the Study of Latino Health
Joe Garcia, City of Monrovia
David Gutierrez, City of San Gabriel
Mee H. Lee, Lee Consulting Group
Steve Levy, Center for Continuing Study of CA Economy
Glenn Maddalon, American Lung Assn of Orange County
Peter Okurowski, Association of American Railroads
Bill Quinn, CCEEB
Ty Schuiling, San Bernardino Associated Governments
Jeb Stuart, Consultant
Mike Wang, Western States Petroleum Association
Monte Ward, Orange County Transportation Authority
John Wohlmuth, Coachella Valley Association of Govts

AQMD STAFF

Sam Atwood, Media Manager
Lori Berard, Air Quality Specialist
Joe Cassmassi, Planning & Rules Manager
Elaine Chang, Deputy Executive Officer
Ed Eckerle, Program Supervisor
Michael Krause, Air Quality Specialist
Sue Lieu, Program Supervisor
Carol Gomez, Planning Manager
Zorik Pirveysian, Planning & Rules Manager
Gary Quinn, Program Supervisor
Laki Tisopulos, Assistant Deputy Executive Officer
Patti Whiting, Staff Specialist
Jill Whynot, Planning & Rules Manager