

BOARD MEETING DATE: April 6, 2018

AGENDA NO. 22

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board held a meeting on March 22 and 23, 2018, in Riverside, CA. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Judith Mitchell, Member
SCAQMD Governing Board

dg

The California Air Resources Board (CARB or Board) held a meeting on March 22 and 23, 2018 in Riverside at the Riverside County Administrative Center. Key items presented are summarized below.

CONSENT ITEMS

18-2-1: Public Meeting to Consider the South Coast Air Quality Management District's On-Road Heavy Duty Vehicle Incentive Measure

The Board adopted the South Coast Air Quality Management District's On-Road Heavy-Duty Vehicle Incentive Measure for submission to United States Environmental Protection Agency (U.S. EPA) as a revision to the California State Implementation Plan (SIP). The measure meets U.S. EPA requirements to achieve SIP credit and fulfills CARB's commitment to propose an on-road heavy-duty vehicle incentive program to achieve creditable emissions reductions in the South Coast Air Basin.

18-2-2: Public Hearing to Consider Proposed Amendments to the California Cap On Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation

The Board approved amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation. These amendments clarify successor liability for a compliance obligation after a change in ownership, and allow the Auction Reserve Price for a joint auction to be set by the Ontario Auction Reserve Price in certain cases.

18-2-3: Public Hearing to Consider Seven Research Proposals

The Board approved seven research proposals developed in response to the Board-approved Fiscal Year 2017-2018 Annual Research Plan; the proposals are:

1. “Measuring Emissions from the On-Road Vehicle Fleet in West Los Angeles,” University of Denver.
2. “Identify Outlier Makes and Models of Light-Duty Vehicles Using Remote Sensing Device Data,” Eastern Research Group.
3. “Brake and Tire Wear Emissions,” Eastern Research Group.
4. “Design and Development of an Instrument for Toxic-Metal Aerosol Real-Time Analysis (TARTA),” University of California, Davis (UCD).
5. “Benchmarking of Post-AMMP (Alternative Manure Management Practices) Dairy Emissions and Prediction of Related Long-term Airshed Effects,” UCD.
6. “Strategies to Reduce Methane Emissions from Enteric and Lagoon Sources,” UCD.
7. “Zero-Carbon Buildings in California: A Feasibility Study,” UC, Berkeley.

DISCUSSION ITEMS

18-2-4: Public Meeting to Consider Proposed Updates to Senate Bill 375 Greenhouse Gas Emissions Reduction Targets

The Board approved updates to the regional greenhouse gas emissions reduction targets for California's Metropolitan Planning Organizations as required by the Sustainable

Communities and Climate Protection Act of 2008 (SB 375). In addition to increasing the stringency of the targets, the update includes a new Sustainable Communities Strategies (SCS) tracking and implementation component. This new component will provide transparency and accountability by including a demonstration of compliance with past SCSs, an analysis of the effectiveness of the strategies, and reporting on incremental progress from one SCS to the next.

18-2-5: Public Meeting to Hear an Update on Implementation of the State Strategy for the State Implementation Plan and the South Coast Air Quality Management Plan

The Board heard an update on implementation of the 2016 State Strategy for the State Implementation Plan (State SIP Strategy) and the South Coast Air Quality Management Plan (AQMP). In March 2017, the Board adopted the State SIP Strategy and AQMP to meet federal air quality standards in the South Coast. CARB staff updated the Board on the substantial effort over the past year in meeting the commitments made in 2017. Of the 14 regulatory measures in the State SIP Strategy, two of the measures have been adopted by the Board and CARB staff has begun development of nine of the other measures. Other activity to fulfill the State SIP Strategy commitments include securing over \$1 billion in incentive funds this year. CARB staff also summarized South Coast Air Quality Management District actions over the past year, including work to sunset their RECLAIM program, securing additional funding for equipment turnover, and developing facility-based emissions reduction measures.

18-2-6: Public Meeting to Hear an Informational Update on Concepts to Minimize the Community Health Impacts from Freight Facilities

In March 2017, the Board directed CARB staff to return within one year with concepts for an indirect source review rule and alternatives to reduce pollution from large freight facilities. In response to the Board's direction, CARB staff identified 9 new actions (5 of which are regulatory) that will reduce emissions and community exposure to freight pollution, in addition to fulfilling commitments in the State SIP Strategy. CARB staff described that the most effective approach for achieving significant, enforceable reductions is to develop freight rules targeting both equipment and facilities. The additional actions will transition equipment to zero-emission technology, supplemented with near-zero equipment when appropriate, along with facility requirements for cleaner equipment and the infrastructure needed to support the equipment.

18-2-7: Public Meeting to Hear an Update on Implementation of Assembly Bill 617 (The Community Air Protection Program)

The Board heard an informational update on efforts underway to implement the mandates of Assembly Bill 617 to reduce exposure in communities most impacted by air pollution. CARB's new Community Air Protection Program (CAPP) will implement

a new community focused planning framework to identify impacted communities, establish criteria for community air monitoring and local emissions reduction programs, and develop strategies for reducing emissions. Key implementation principles in CAPP include identifying near-term actions to provide immediate emission reductions, possible regulations by CARB and local air districts to benefit communities, addressing land use planning issues, and ongoing community engagement with continued reports back to the Board.

SCAQMD Staff Comments/Testimony: Wayne Nastri, Executive Officer, was one of several Air District Executive Officers that provided testimony, emphasizing the strong collaboration between air districts and CARB, and stressing the need for sustained funding for this important program.

18-2-8: Public Meeting to Consider Funding Agricultural Replacement Measures for Emission Reductions Program Guidelines

The Board approved the Funding Agricultural Replacement Measures for Emission Reductions Program Guidelines (Guidelines). The Guidelines describe proposed investments from three related funding sources: \$85 million from the Greenhouse Gas Reduction Fund in Assembly Bill (AB) 134; \$15 million from the Air Quality Improvement Fund in AB 109; and \$35 million from the Alternative and Renewable Fuel and Vehicle Technology Fund in AB 109. Both budget bills list agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations as being eligible for funding. The proposed Guidelines outline CARB's plans for expending these funds in a manner consistent with the legislative direction from the two bills, existing statutes, and regulations. The Guidelines describe district funding allocations, eligible project categories and criteria, program implementation details, and the justification for these investments.

18-2-9: Public Hearing to Consider the Proposed Regulation for Prohibitions on Use of Certain Hydrofluorocarbons in Stationary Refrigeration and Foam End-Uses

The Board adopted a regulation for prohibitions on the use of certain high-global warming potential hydrofluorocarbons (HFC) in stationary refrigeration and foam end-uses. The objective is to preserve HFC emissions reductions expected from the federal Significant New Alternatives Policy (SNAP) Rules for certain end-uses for which compliance dates have either already passed or are imminent. A recent United States Court of Appeals, District of Columbia Circuit decision jeopardizes the federal SNAP Rules to meet Senate Bill 1383 HFC emissions reduction goals.

Attachment

CARB March 22-23, 2018 Meeting Agenda



PUBLIC MEETING AGENDA

**Thursday, March 22, 2018
and
Friday, March 23, 2018**

LOCATION:

Riverside County Administrative Center
4080 Lemon St., 1st Floor
Riverside, California 92501

This facility is accessible by public transit. For transit information, call (951) 565-5002, website:

<http://www.riversidetransit.com/home/>

(This facility is accessible to persons with disabilities.)

**TO SUBMIT WRITTEN COMMENTS ON AN AGENDA
ITEM IN ADVANCE OF THE MEETING GO TO:**

<http://www.arb.ca.gov/lispub/comm/bclist.php>

**Thursday
March 22, 2018
9:00 a.m.**

CONSENT CALENDAR:

The following items on the consent calendar will be presented to the Board immediately after the start of the public meeting, unless removed from the consent calendar either upon a Board member's request or if someone in the audience wishes to speak on them.

Consent Item #

18-2-1: Public Meeting to Consider the South Coast Air Quality Management District's On-Road Heavy Duty Vehicle Incentive Measure

The Board will consider adopting the South Coast Air Quality Management District's On-Road Heavy-Duty Vehicle Incentive Measure for submission to United States Environmental Protection Agency (U.S. EPA) as a revision to the California State Implementation Plan (SIP). The measure meets U.S. EPA requirements to achieve SIP credit and fulfills the California Air Resources Board's commitment to propose an on-road heavy-duty vehicle incentive program to achieve creditable emission reductions in the South Coast Air Basin.

18-2-2: Public Hearing to Consider Proposed Amendments to the California Cap On Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation

The Board will consider proposed amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation, specifically those that clarify successor liability for a compliance obligation after a change in ownership, and those that allow the Auction Reserve Price for a joint auction to be set by the Ontario Auction Reserve Price in certain cases.

18-2-3: Public Hearing to Consider Seven Research Proposals

The Board will consider approving seven research proposals that were developed in response to the Board-approved Fiscal Year 2017-2018 Annual Research Plan.

- 1) "Measuring Emissions from the On-Road Vehicle Fleet in West Los Angeles," University of Denver, RFP No. 17RD015.
- 2) "Identify Outlier Makes and Models of Light-Duty Vehicles Using Remote Sensing Device Data," Eastern Research Group, RFP No. 17RD014.

- 3) "Brake and Tire Wear Emissions," Eastern Research Group, RFP No. 17RD016.
- 4) "Design and Development of an Instrument for Toxic-metal Aerosol Real-Time Analysis (TARTA)," University of California, Davis, Proposal No. 2814-288.
- 5) "Benchmarking of Post-AMMP (Alternative Manure Management Practices) Dairy Emissions and Prediction of Related Long-term Airshed Effects," University of California, Davis, Proposal No. 2815-288.
- 6) "Strategies to Reduce Methane Emissions from Enteric and Lagoon Sources," University of California, Davis, Proposal No. 2816-288.
- 7) "Zero-Carbon Buildings in California: A Feasibility Study," University of California, Berkeley, Contract No. 16RD004.

DISCUSSION ITEMS:

Note: The following agenda items may be heard in a different order at the Board meeting.

Spanish translation will be provided at the Thursday Board Meeting for items 18-2-4, 18-2-5, 18-2-6, and 18-2-7.

Agenda Item #

18-2-4: Public Meeting to Consider Proposed Updates to Senate Bill 375 Greenhouse Gas Emission Reduction Targets

The Board will consider approving updates to regional greenhouse gas emissions reduction targets for California's Metropolitan Planning Organizations as required by the Sustainable Communities and Climate Protection Act of 2008 (SB 375). The Board will also consider certifying the Final Environmental Analysis and approving the written responses to comments received on the Draft Environmental Analysis.

18-2-5: Public Meeting to Hear an Update on Implementation of the State Strategy for the State Implementation Plan and the South Coast Air Quality Management Plan

The Board will hear an update on the implementation of the 2016 State Strategy for the State Implementation Plan (State SIP Strategy) and the South Coast Air Quality Management Plan (AQMP). In March 2017, the Board adopted the State SIP Strategy and AQMP to meet federal air quality standards in the South Coast. The Board also directed staff to provide an annual status report on progress in implementing the strategy.

18-2-6: Public Meeting to Hear an Informational Update on Concepts to Minimize the Community Health Impacts from Freight Facilities

The Board will hear an informational update on potential concepts for reducing emissions and community health impacts from large freight facilities, including seaports, railyards, warehouses, and distribution centers. Staff is providing the update, per Board direction from the March 2017 meeting and the addendum to Resolutions 17-7 and 17-8.

18-2-7 Public Meeting to Hear an Update on Implementation of Assembly Bill 617 (The Community Air Protection Program)

The Board will hear an update on efforts underway to implement the mandates of Assembly Bill 617. The California Air Resources Board's new Community Air Protection Program will implement a new community focused planning framework to identify impacted communities, establish criteria for air monitoring and local emissions reduction programs, and develop strategies for reducing emissions.

**Friday
March 23, 2018
8:30 a.m.**

18-2-8 Public Meeting to Consider Funding Agricultural Replacement Measures for Emission Reductions Program Guidelines

The Board will consider approving the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines (Guidelines). The Guidelines describe proposed investments from three related funding sources: \$85 million from the Greenhouse Gas Reduction Fund in Assembly Bill (AB) 134; \$15 million from the Air Quality Improvement Fund in AB 109; and \$35 million from the Alternative and Renewable Fuel and Vehicle Technology Fund in AB 109. In both budget bills agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations are all listed as eligible for funding. The proposed Guidelines outline the California Air Resources Board's plans for expending these funds in a manner consistent with the legislative direction from the two bills, existing statutes, and regulations. The Guidelines describe district funding allocations, eligible project categories and criteria, program implementation details, and the justification for these investments.

18-2-9 Public Hearing to Consider the Proposed Regulation for Prohibitions on Use of Certain Hydrofluorocarbons in Stationary Refrigeration and Foam End-Uses

The Board will consider adopting a proposed regulation for prohibitions on the use of certain high-global warming potential hydrofluorocarbons (HFC) in stationary refrigeration and foam end-uses. The objective is to preserve HFC emissions reductions expected from the federal Significant New Alternatives Policy (SNAP) Rules for certain end-uses for which compliance dates have either already passed or are imminent. A recent United States Court of Appeals, District of Columbia Circuit decision jeopardizes CARB's partial reliance on the federal SNAP Rules to meet Senate Bill 1383 HFC emissions reduction goals. This proposed regulation is necessary to preserve progress towards these important goals.

CLOSED SESSION

The Board will hold a closed session, as authorized by Government Code section 11126(e), to confer with, and receive advice from, its legal counsel regarding the following pending or potential litigation, and as authorized by Government Code section 11126(a):

American Fuels and Petrochemical Manufacturers, et al. v. Jane O'Keeffe, et al., U.S. District Court (D. Ore. Portland), Case No. 3:15-CV-00467; Plaintiffs' appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 15-35834.

California et al. v. U.S. Department of Transportation et al., United States District Court, Northern District of California, Case No. 4:17-CV-05439.

Electric Power Supply Association, et al. v. Star, et al., U.S. Court of Appeals, Seventh Circuit, Case No. 17-2445.

Friends of Oceano Dunes, Inc. v. California Coastal Commission, et al., Superior Court of California, San Luis Obispo County, Case No. 17CV-0576.

In re La Paloma Generating Company, LLC, U.S. Bankruptcy Court, District of Delaware, Case No. 16-bk-12700.

Mexichem Fluor Inc. v. United States Environmental Protection Agency et al., U.S. Court of Appeals, District of Columbia Circuit, Case Nos. 15-1328 and 15-1329.

POET, LLC, et al. v. California Air Resources Board, et al., Superior Court of California (Fresno County), Case No. 09CECG04659; plaintiffs' appeal, California Court of Appeal, Fifth District, Case No. F064045; California Supreme Court, Case No. S213394 [remanded to trial court]; plaintiff's appeal of trial court order discharging peremptory writ of mandate, Court of Appeal, Fifth District, Case No. F073340.

POET, LLC, et al. v. California Air Resources Board, et al., Superior Court of California (Fresno County), Case No. 15CECG03380.

Rocky Mountain Farmers Union, et al. v. Corey, U.S. District Court (E.D. Cal. Fresno), Case No. 1:09-CV-02234-LJO-DLB; ARB interlocutory appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 12-15131 [remanded to trial court].

American Fuels and Petrochemical Manufacturers, et al. v. Corey, et al., U.S. District Court (E.D. Cal. Fresno), Case No. 1:10-CV-00163-AWI-GSA; ARB's interlocutory appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 10-CV-00163 [remanded to trial court].

Sowinski v. California Air Resources Board, et al., U.S. District Court, Central District of California, Case No. 8:15-CV-02123.

State of California, et al. v. United States Environmental Protection Agency et al., U.S. District Court, Northern District of California, Oakland Division, Case No. 4:17-cv-6936-HSG.

State of New York, et al. v. United States Environmental Protection Agency et al., U.S. Court of Appeals, District of Columbia Circuit, Case No. 17-1185.

States of New York, California, Vermont, and Maryland, and the Commonwealth of Pennsylvania v. National Highway Traffic Safety Administration, U.S. Court of Appeals, Second Circuit, Case Nos. 17-2780(L) and 17-2806.

State of North Dakota, et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 16-1242.

State of North Dakota v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1381.

State of West Virginia et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1363.

State of Wyoming, et al. v. United States Department of the Interior, et al., U.S. District Court, District of Wyoming, Case No. 16-CV-285-SWS.

Adam Brothers Farming, Inc. v. California Air Resources Board, et al., Santa Barbara County Superior Court, Case No. 15 CV04432.

Alliance for California Business v. California Air Resources Board, et al., Glenn County Superior Court, Case No. 13CV01232; plaintiffs' appeal, Court of Appeal, Third District, Case No. C082828.

Alliance for California Business v. California State Transportation Agency, et al., Sacramento County Superior Court, Case No. 34-2016-80002491.

American Coatings Association, Inc. v. State of California and California Air Resources Board, Sacramento County Superior Court, Case No. 04CS01707.

Jack Cody dba Cody Transport v. California Air Resources Board, et al., Sacramento Superior Court, Case No. 34-2015-80002116; plaintiff's appeal, Court of Appeal, Third District, Case No. C083083.

Dalton Trucking, Inc. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 13-1283 (dismissed), U.S. Court of Appeals, Ninth Circuit, Case No. 13-74019.

John R. Lawson Rock & Oil, Inc. et al. v. California Air Resources Board et al., Fresno County Superior Court, Case No. 14-CECG01494; ARB's appeal, Court of Appeal, Fifth District, Case No. F074003.

Murray Energy Corporation v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1385.

Truck Trailer Manufacturers Association, Inc. v. United States Environmental Protection Agency, et al., U.S. Court of Appeals, District of Columbia Circuit, Case No. 16-1430.

California Air Resources Board v. Adam Brothers Farming Inc., Santa Barbara County Superior Court, Case No. 16CV01758.

People v. Southern California Gas Company, Los Angeles Superior Court, Case No. BC 602973.

In re: Volkswagen "Clean Diesel" MDL, United States District Court, Northern District of California, Case No. 15-MD-2672-CRB (JSC).

Mahan v. California Air Resources Board, Sacramento County Superior Court, Case No. 34-2016-80002416.

OPPORTUNITY FOR MEMBERS OF THE BOARD TO COMMENT ON MATTERS OF INTEREST

Board members may identify matters they would like to have noticed for consideration at future meetings and comment on topics of interest; no formal action on these topics will be taken without further notice.

OPEN SESSION TO PROVIDE AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON SUBJECT MATTERS WITHIN THE JURISDICTION OF THE BOARD

Although no formal Board action may be taken, the Board is allowing an opportunity to interested members of the public to address the Board on items of interest that are within the Board's jurisdiction, but that do not specifically appear on the agenda. Each person will be allowed a maximum of three minutes to ensure that everyone has a chance to speak.

TO ELECTRONICALLY SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO:

<https://www.arb.ca.gov/lispub/comm/bclist.php>

(Note: not all agenda items are available for electronic submittals of written comments.)

PLEASE NOTE: No outside memory sticks or other external devices may be used at any time with the Board audio/visual system or any CARB computers. Therefore, PowerPoint presentations to be displayed at the Board meeting must be electronically submitted via email to the Clerk of the Board at cotb@arb.ca.gov no later than noon on the business day prior to the scheduled Board meeting.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CLERK OF THE BOARD:

1001 I Street, 23rd Floor, Sacramento, California 95814

(916) 322-5594

CARB Homepage: www.arb.ca.gov

SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 7 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia
- Documentos disponibles en un formato alterno u otro idioma
- Una acomodación razonable relacionados con una incapacidad

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 7 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

SMOKING IS NOT PERMITTED AT MEETINGS OF THE CALIFORNIA AIR RESOURCES BOARD