

BOARD MEETING DATE: September 5, 2014

AGENDA NO. 29

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on July 24-25, 2014, 2014 in Sacramento. The following is a summary of this meeting.

RECOMMENDED ACTION:  
Receive and File.

Judith Mitchell, Member  
SCAQMD Governing Board

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The Air Resources Board's (ARB or Board) July meeting was held on July 24-25 in Sacramento, at the California Environmental Protection Agency Headquarters Building. Key items presented are summarized below.

**1. Update on the Assembly Bill 8 Required Joint Evaluation Process of the Carl Moyer Program**

The Board heard an informational update from ARB staff and the California Air Pollution Control Officers Association (CAPCOA) on the joint evaluation process of the Carl Moyer Program. Assembly Bill 8 extended a portion of the Carl Moyer Program funds through 2023 and required ARB, in consultation with the local air districts, to convene working groups to evaluate the long-term policies and goals of the Carl Moyer Program and to identify potential improvements that may require statutory changes. As part of this effort, the Incentive Programs Advisory Group (IPAG) is holding public meetings to develop and implement concepts to improve the Carl Moyer Program. This evaluation process will ensure the Program's continued success to reduce emissions and protect public health.

## **2. Revisions to the Carl Moyer Memorial Air Quality Standards Attainment Program Guidelines for On-Road Heavy-Duty Trucks**

The Board approved revisions to the Carl Moyer Program Guidelines to address eligibility and to prioritize funding in light of recent amendments to ARB's Truck and Bus Regulation. These revisions include limiting eligibility to fleets of 1-3 trucks, allowing funding of light heavy-duty trucks, and reducing minimum California usage from 75 percent to 51 percent. With extensive outreach, these revisions will increase funding opportunities and participation as well as clarify program administration.

**SCAQMD Staff Comments/Testimony:** South Coast AQMD supported CARB staff's proposal with the following request. A written statement should be provided from CARB to CAPCOA confirming the policy for eligibility of small fleets of up to three trucks for funding even if the first truck was retrofitted with particulate trap after July 1, 2014, but all potential penalties were settled with CARB and the fleet was identified as compliant for the Truck and Bus Regulation in TRUCKS.

## **3. Update on the Revised Office of Environmental Health Hazard Assessment Health Risk Assessment Guidelines**

The Board heard an update from ARB staff, CAPCOA, and the Office of Environmental Health Hazard Assessment (OEHHA) on the upcoming changes to OEHHA's Health Risk Assessment Guidelines. The updated guidance includes new methods for estimating health risk that reflects the greater sensitivity of children to air toxics. As a result, cancer risk estimates will be greater than previously calculated. Staff described the joint work plan with the air districts to incorporate the new information into ARB's risk management programs for air toxics. Staff will continue to work with OEHHA and CAPCOA to improve California air toxics programs which have led to an 80 percent reduction in ambient cancer risk statewide since 1990.

**SCAQMD Staff Comments/Testimony:** Dr. Wallerstein testified on the proposed change in Risk Assessment Methodology and SCAQMD's initial response approach as approved by the Governing Board.

## **4. Update on ARB's Greenhouse Gas Measurement Program and the Megacities Project**

The Board heard an update on staff's efforts to quantify ambient greenhouse gas (GHG) concentrations throughout the state. California's GHG monitoring network is the first of its kind and provides important data for understanding GHG emissions. The Board also

heard from a representative of the National Aeronautics and Space Administration (NASA) who discussed the Megacities Carbon Project. This multi-agency project uses satellite data to assess the relative concentrations of greenhouse gases at locations worldwide.

#### **5. Update on the Status of the Compliance Offset Program Under the California Cap-and-Trade Program**

The Board heard an update on the status of the California Cap-and-Trade Offset Program. The use of offsets in the Cap-and-Trade program encourages voluntary emission reductions in sectors not covered by the program, supports development of clean, low carbon technologies within and outside of California, and provides environmental, social, and economic benefits. New offset protocols will be presented for Board consideration later this year.

#### **6. Update on San Joaquin Valley Sustainable Communities Strategies**

The Board heard an informational update on the status of the eight San Joaquin Valley Metropolitan Planning Organizations' (MPO) Sustainable Communities Strategies (SCS). Staff described MPO transportation strategies and examples of infill and mixed use projects in the Valley, and the process for the Board's upcoming reviews of the GHG determinations for each SCS. Staff also briefed the Board on the process underway to provide public input on potential updates to the SB 375 greenhouse gas reduction targets first set by the Board in 2010. The Board will consider the process and timing for updating the targets at its October meeting.

#### **7. Update on the Proposed Re-Adoption of the Low Carbon Fuel Standard**

The Board heard an update on the status of the proposed re-adoption of the Low Carbon Fuel Standard (LCFS), as well as amendments under development. The Board will consider a re-proposed LCSF and an alternative diesel fuel regulation in early 2015. In the update, staff discussed how the LCSF complements the Cap-and-Trade program, the status of the LCFS credit market, the role of the LCFS in reaching California's GHG targets, and out-of-state partnerships. Staff highlighted regulatory amendments under development to address potential increases in oxide of nitrogen (NOx) from biodiesel, and several technical amendments reflecting what has been learned in the four years of implementation.

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Consent Items

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**1. Five Research Proposals**

The Board approved five research proposals that were developed based on the Board-approved Fiscal Year 2014-2015 Annual Research Plan. The funded projects are designed to (1) study ultrafine particulate matter exposure and mortality using existing epidemiological data, (2) study neurological effects of ultrafine particulate matter in an animal model, (3) improve understanding of ozone formation in the southern San Joaquin Valley, (4) evaluate how current natural gas infrastructure can accommodate future conversion to near-zero transportation technology, and (5) develop lifecycle data for hydrogen fuel production and delivery.

**Attachment**

CARB July 24-25, 2014 Meeting Agenda

**LOCATION:**

Air Resources Board  
Byron Sher Auditorium, Second Floor  
1001 I Street  
Sacramento, California 95814  
<http://www.calepa.ca.gov/EPAbldg/location.htm>

**PUBLIC MEETING AGENDA**

**Thursday, July 24, 2014  
and  
Friday, July 25, 2014**

This facility is accessible by public transit. For transit information, call (916) 321-BUSS, website: <http://www.sacrt.com>  
(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>**

**[Webcast](#)**

**Thursday  
July 24, 2014  
9:00 a.m.**

**CONSENT CALENDAR:**

The following item 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 it.

**Consent Item #**

**14-6-1: Public Meeting to Consider Five Research Proposals**

*Staff will seek Board approval of research proposals that were developed based on the Board-approved Fiscal Year 2014-2015 Annual Research Plan.*

- 1) "Association Between Long-Term Ultrafine Particulate Matter Exposure and Premature Death," University of California, Davis, Proposal No. 2775-279.

[More Information](#)

[Proposed Resolution](#)

- 2) "Effects of Ultrafine Particulate Matter Exposure in an Animal Model of Neurodegenerative Disease," University of California, Los Angeles, Proposal No. 2776-279.

[More Information](#)

[Proposed Resolution](#)

- 3) "Ozone in the Lower Atmosphere and Its Contribution to High Ozone Concentrations at Ground-Level in the Southern San Joaquin Valley," University of California, Davis, Proposal No. 2777-279.

[More Information](#)

[Proposed Resolution](#)

- 4) *"Potential to Build Current Natural Gas Infrastructure to Accommodate the Future Conversion to Near-Zero Transportation Technology," University of California, Davis, Proposal No. 2780-279.*

[More Information](#)

[Proposed Resolution](#)

- 5) *"The Development of Lifecycle Data for Hydrogen Fuel Production and Delivery," University of California, Davis, Proposal No. 2781-279.*

[More Information](#)

[Proposed Resolution](#)

## **DISCUSSION ITEMS:**

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

### **Agenda Item #**

- 14-6-2: Update to the Board on the Assembly Bill 8 Required Joint Evaluation Process of the Carl Moyer Program Being Conducted by the Air Resources Board and California Air Pollution Control Officers Association**

*Staff will update the Board on the joint evaluation process the Air Resources Board (ARB) and the California Air Pollution Control Officers Association are conducting on the Carl Moyer Memorial Air Quality Standards Attainment (Carl Moyer) Program. Assembly Bill 8 (Perea), which extended a portion of the Carl Moyer Program funds through 2023, required ARB, in consultation with the local air districts, to convene working groups to evaluate the long-term policies and goals of the Carl Moyer Program and to identify potential improvements that may require statutory changes.*

[More Information](#)

[Staff Presentation](#)

- 14-6-3: Public Meeting to Consider Proposed Revisions to the Carl Moyer Memorial Air Quality Standards Attainment Program Guidelines for On-Road Heavy-Duty Trucks**

*Separate from the Assembly Bill 8 evaluation process, staff will propose implementation revisions to the Carl Moyer Program Guidelines to address near-term concerns about funding eligibility and to prioritize small fleet funding consistent with recent amendments to the Truck and Bus Regulation. The proposed revisions would increase funding opportunities and participation and clarify program administration.*

[More Information](#)

[Staff Presentation](#)

- 14-6-4: Update to the Board on the Revised Office of Environmental Health Hazard Assessment Health Risk Assessment Guidelines**

*Staff will update the Board on the upcoming changes to the Office of Environmental Health Hazard Assessment Health Risk Assessment Guidelines. These guidelines will impact local and State air toxics programs, as well as the way project proponents perform environmental analyses of projects. Staff will also describe the joint workplan with the air districts to incorporate the new information into our risk management programs for air toxics.*

[More Information](#)

[Staff Presentation](#)

**14-6-5: Update to the Board on the Air Resources Board's Greenhouse Gas Measurement Program and the Megacities Project**

Staff will update the Board on efforts to quantify ambient greenhouse gas (GHG) concentrations throughout the state to understand and verify ARB's GHG emissions inventories and evaluate the successful implementation of the various GHG regulations and programs in California. Additionally, staff from the National Aeronautics and Space Administration will be present and be able to discuss the Megacities Carbon Project in Southern California.

[ARB - More Information](#)

[NASA - More Information](#)

[Staff Presentation](#)

**14-6-6: Update to the Board on the Status of the Compliance Offset Program Under the California Cap-and-Trade Program**

Staff will update the Board on the status of California's Cap-and-Trade Offset Program. This will include a status update and next steps.

[More Information](#)

[Staff Presentation](#)

**Friday**  
**July 25, 2014**  
**8:30 a.m.**

**14-6-7: Update to the Board on San Joaquin Valley Sustainable Communities Strategies**

Staff will provide an informational update to the Board on the eight San Joaquin Valley Metropolitan Planning Organizations' (MPO) Sustainable Communities Strategies (SCS) as a follow-up to a similar update provided at the May Board Meeting. Under Senate Bill 375 (SB 375), the Sustainable Communities and Climate Protection Act of 2008, each of the California MPOs is required to prepare and adopt a regional transportation plan with an SCS that includes a forecasted development pattern for the region that is integrated with the transportation network, measures, and policies that could, if feasible, meet the greenhouse gas emission reduction targets set by the Air Resources Board. This informational update will focus on the status of the SCSs in the San Joaquin Valley.

[More Information](#)

[Staff Presentation](#)

**14-6-8: Update to the Board on the Proposed Re-Adoption of the Low Carbon Fuel Standard**

Staff will update the Board on the status of the proposed re-adoption of the Low Carbon Fuel Standard, as well as associated amendments to the program, scheduled to be heard by the Board this fall. The amendments under development respond to Board direction to staff, stakeholder feedback, and experience gained from four years of implementation.

[More Information](#)

[Staff Presentation](#)

**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):

POET, LLC, et al. v. Corey, et al., Superior Court of California (Fresno County), Case No. 09CECG04850; plaintiffs' appeal, California Court of Appeal, Fifth District, Case No. F064045; California Supreme Court, Case No. S213394.

*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. 09-CV-02234.*

*American Fuels and Petrochemical Manufacturing Associations, 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.*

*California Dump Truck Owners Association v. Nichols, U.S. District Court (E.D. Cal. Sacramento), Case No. 2:11-CV-00384-MCE-GGH; plaintiffs' appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 13-15175.*

*Engine Manufacturers Association v. California Air Resources Board, Sacramento Superior Court, Case No. 34-2010-00082774; ARB's appeal, California Court of Appeal, Third District, Case No. C071891.*

*Truck and Engine Manufacturers Association v. California Air Resources Board, Sacramento Superior Court, Case No. 34-2013-00150733.*

*Alliance of Automobile Manufacturers v. California Air Resources Board; Sacramento Superior Court, Case No. 34-2013-00152974.*

*Citizens Climate Lobby and Our Children's Earth Foundation v. California Air Resources Board, San Francisco Superior Court, Case No. CGC-12-519554, plaintiffs' appeal, California Court of Appeal, First District, Case No. A138830.*

*California Chamber of Commerce et al. v. California Air Resources Board, Sacramento Superior Court, Case No. 34-2012-80001313; plaintiffs' appeal, California Court of Appeal, Third District, Case No. C075930.*

*Morning Star Packing Company, et al. v. California Air Resources Board, et al., Sacramento Superior Court, Case No. 34-2013-800001464; plaintiffs' appeal, California Court of Appeal, Third District, Case No. C075954.*

*Delta Construction Company, et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 11-1428.*

*City of Los Angeles through Department of Water and Power v. California Air Resources Board, et al., Los Angeles Superior Court, Case No. BS140620 (transferred to Sacramento Superior Court, Case No. 34-2013-80001451-CU-WM-GDS).*

*Alliance for California Business v. Nichols et al., Glenn County Superior Court, Case No. 13CV01232.*

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

*Owner-Operator Independent Drivers Association Inc. et al. v. Richard W. Corey et al., U.S. District Court, (E.D. Cal. Fresno) Case No. 1:13-CV-01998-LJO-SAB (transferred by court to E.D. Cal. Sacramento, Case No. 2:14-CV-00186-MCE-AC).*

*John R. Lawson Rock & Oil, Inc. et al. v. California Air Resources Board et al., Fresno County Superior Court, Case No. 14-CECG01494.*

*Transportation Solutions Defense and Education Fund v. California Air Resources Board, Fresno County Superior Court, Case No. 14CECG01788.*

### **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:**

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

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

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

**1001 I Street, 23<sup>rd</sup> Floor, Sacramento, California 95814**

**(916) 322-5594**

**ARB Homepage: [www.arb.ca.gov](http://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**