

BOARD MEETING DATE: May 4, 2018

AGENDA NO. 31

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on April 27, 2018, in Sacramento, CA. The following is a summary of this meeting.

RECOMMENDED ACTION:  
Receive and file.

Judith Mitchell, Member  
SCAQMD Governing Board

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The California Air Resources Board's (CARB or Board) held a meeting on April 27, 2018 in Sacramento at the California Environmental Protection Agency Headquarters Building. Key items presented are summarized below.

### **DISCUSSION ITEMS**

#### **18-3-1: Public Meeting to Consider the Proposed Community Air Protection Funds Supplement to the Carl Moyer Memorial Air Quality Standards Attainment Program 2017 Guidelines**

The Board approved the Proposed Community Air Protection (CAP) Funds Supplement to the Carl Moyer Program Guidelines (Guidelines Supplement). The Fiscal Year 2017-18 budget provided \$250 million to help meet the goals of Assembly Bill 617 (C. Garcia, 2017) through early action emission reductions in pollution-impacted communities. Local air districts will use these CAP funds to implement incentive projects to clean up vehicles and equipment, providing immediate emission reductions in disadvantaged and low-income communities through the Carl Moyer Program and the Proposition 1B Goods Movement Program. The Guidelines Supplement enables the Moyer Program to provide greater support to reduce emissions from freight, expand eligibility for sensitive receptors such as schools and hospitals, increase support for advanced technologies, and reduce barriers to program participation by increasing the Moyer share of project costs and removing the funding cap for on-road zero-emission

projects. The Board also took action to increase the statewide target for CAP Funds spent to benefit disadvantaged communities, up from 50 percent to 70 percent.

**SCAQMD Staff Comments/Testimony:** Staff testified in support of the adoption of the supplemental guidelines to the Carl Moyer Program to be implemented under the 2017 Amended Budget Act AB 134.

**18-3-2: Public Meeting to Consider Proposed Fiscal Years 2018-2021  
Triennial Strategic Research Plan and the Proposed Research for  
Fiscal Year 2018-2019**

The Board heard a briefing on the Fiscal Years 2018-2021 Triennial Strategic Research Plan (Strategic Plan) and the Proposed Research for Fiscal Year 2018-2019. The Strategic Plan reflects a concerted effort to identify CARB's highest priority research initiatives for the next three years and will inform key decisions needed to meet air quality, climate, environmental justice, and public health goals. The Strategic Plan will also improve coordination with other funding organizations, provide greater transparency and stakeholder involvement, increase clarity for public research proposals, and increase flexibility for budget changes. The Board approved the Proposed Research for Fiscal Year 2018-2019 that will support the initiatives outlined in the Strategic Plan. The research projects in the Strategic Plan will advance the state of the science and support CARB's efforts to meet California's air quality and climate goals.

**18-3-3: Public Hearing to Consider Proposed Amendments to the Low  
Carbon Fuel Standard Regulation and to the Regulation on  
Commercialization of Alternative Diesel Fuels**

The Board heard proposed amendments designed to strengthen the Low Carbon Fuel Standard (LCFS) regulation through 2030 in line with Senate Bill 32 greenhouse gas reduction goals. This was the first of two Board hearings on this item; the second is scheduled to be heard in September when the Board will consider approval of the amendments. The proposed amendments would lower the carbon intensity of California's transportation fuels by 20 percent from 2010 values by 2030, enhance LCFS credit for zero-emission vehicle fueling infrastructure per Governor Brown's Executive Order B-48-18, adopt a protocol to enable credit generation for carbon capture and sequestration projects, expand fuel types and vehicle applications to which the LCFS regulation applies (including adding alternative jet fuel), improve crediting for innovative actions at petroleum refineries, and establish an independent third-party verification and verifier accreditation system to ensure accuracy of LCFS reported data. The amendments also include a number of technical changes to improve, simplify, streamline, and clarify the regulation. At the hearing, the Board requested that staff undertake 15-day changes to the amendments that will add capacity-based credits for

hydrogen and DC fast charging stations and to consider incorporating statewide point-of-sale credits. In response to a California court order, the proposed amendments also include an amendment to the Alternative Diesel Fuels regulation based on supplemental environmental analysis related to NOx emissions from biodiesel that was compiled.

**18-3-5: Public Meeting to Consider Proposed Voluntary NOx Remediation Measure Funding**

The Board approved a voluntary measure to provide immediate funding to air districts to achieve further reductions in emissions of NOx. This initiative arose in response to a 2017 court order in the ongoing POET litigation challenge to the 2009 adoption of the LCFS. This additional funding aims to remediate conservatively estimated historical emissions potentially related to increased use of biodiesel in California that may have been attributable to incentivization of biodiesel use by the LCFS regulation. The funding will accelerate the deployment of cleaner on-road and off-road trucks, equipment, and engines.

**Attachment**

CARB April 27, 2018 Meeting Agenda



**REVISED 4/24/18**

## **PUBLIC MEETING AGENDA**

**Friday, April 27, 2018**

### **LOCATION:**

California Environmental Protection Agency  
California Air Resources Board  
Byron Sher Auditorium, 2<sup>nd</sup> Floor  
1001 I Street  
Sacramento, California 95814

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>

**Friday**  
**April 27, 2018**  
**9:00 a.m.**

### **DISCUSSION ITEMS:**

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

#### **Agenda Item #**

**18-3-1: Public Meeting to Consider the Proposed Community Air Protection Funds Supplement to the Carl Moyer Memorial Air Quality Standards Attainment Program 2017 Guidelines**

**Spanish translation will be provided at the Board Meeting for this item, Item 18-3-1.**

*The Board will consider the Proposed Community Air Protection Funds Supplement to the Carl Moyer Memorial Air Quality Standards Attainment Program (Moyer Program) Guidelines. The Guidelines Supplement would build on the existing 2017 Moyer Program Guidelines, approved by the Board last April, with specific changes designed to advance clean vehicle and equipment projects for immediate emission reductions in disadvantaged and low-income communities. The Guidelines Supplement would align the Moyer Program with the goals of Assembly Bill (AB) 617 (C. Garcia, 2017). The Moyer Program, established in 1998, provides incentives for the turnover of old, high-polluting diesel vehicles and equipment with cleaner-than-required replacements. The Moyer Program provides cost-effective surplus emission reductions that help the State meet federal air quality standards.*

**18-3-2: Public Meeting to Consider Proposed Fiscal Years 2018-2021 Triennial Strategic Research Plan and the Proposed Research for Fiscal Year 2018-2019**

*The Board will consider Staff's proposed Fiscal Years 2018-2021 Triennial Strategic Research Plan and the Proposed Research for Fiscal Year 2018-2019. The Triennial Strategic Research Plan reflects a concerted effort to identify California Air Resources Board's highest priority research initiatives for the next three years. The Proposed Research for Fiscal Year 2018-2019 will support the initiatives outlined in the Triennial Strategic Research Plan. The research projects in these plans will advance the state of the science and support the California Air Resources Board's efforts to meet California's air quality and climate goals.*

**18-3-3: Public Hearing to Consider Proposed Amendments to the Low Carbon Fuel Standard Regulation and to the Regulation on Commercialization of Alternative Diesel Fuels**

*The Board will consider proposed amendments designed to strengthen the Low Carbon Fuel Standard (LCFS) regulation through 2030 in line with the Senate Bill 32 greenhouse gas reduction goals. The proposed amendments would enhance LCFS credit for zero-emission vehicle fueling infrastructure per Governor Brown's Executive Order B-48-18, adopt a protocol to enable credit generation for carbon capture and sequestration projects, expand fuel types and vehicle applications to which the LCFS regulation applies (including adding alternative jet fuel), improve crediting for innovative actions at petroleum refineries, and establish an independent third-party verification and verifier accreditation system to ensure accuracy of LCFS reported data. The amendments also include a number of technical changes to improve, simplify, streamline, and clarify the regulation. As part of this rulemaking, the Board will comply with a California court order by considering supplemental environmental analysis related to oxides of nitrogen (NOx) emissions from biodiesel, and a proposed amendment to the Alternative Diesel Fuels regulation based on that analysis. This is the first of two Board hearings on this item; the Board will not vote on the amendments at this meeting.*

**18-3-5 Public Meeting to Consider Proposed Voluntary NOx Remediation Measure Funding**

*The Board will consider approving a voluntary measure to provide immediate funding to air districts to achieve further reductions in emissions of oxides of nitrogen (NOx). This initiative arises from CARB's response to a 2017 court order in the ongoing POET litigation challenge to the 2009 adoption of the LCFS. This measure aims to remediate conservatively estimated historical emissions potentially related to increased use of biodiesel in California that may be attributable to incentivization of biodiesel use by the Low Carbon Fuel Standard (LCFS) regulation. The voluntary measure is consistent with CARB's mission to promote and protect public health and welfare through the effective and efficient reduction of air pollutants.*

**CLOSED SESSION**

*The Board may 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.

*Sowinski v. California Air Resources Board, et al.*, Orange County Superior Court, Case No. 30-2018-00970852-CU-IP-CXC.

*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](mailto: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, 23<sup>rd</sup> Floor, Sacramento, California 95814**  
**(916) 322-5594**  
**CARB 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.