



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

Air Quality Management Plan Advisory Group Minutes

Wednesday, October 9, 2019
2:30 p.m. to 4:30 p.m.

1. Welcome and AQMP Advisory Group Overview

Dr. Philip Fine, Deputy Executive Officer of South Coast Air Quality Management District's (South Coast AQMD) Planning, Rule Development, and Area Sources division, called the meeting to order at 2:35 p.m. Following self-introductions of the Air Quality Management Plan (AQMP) Advisory Group members present, Dr. Fine thanked the California Air Resources Board (CARB) for attending the meeting and for their joint effort in developing AQMPs. Dr. Fine provided a review of prior and current Advisory Group memberships. Dr. Fine stated that this meeting is the kickoff meeting for the AQMP due in 2022 for addressing the new ozone standard (70 ppb) that U.S. EPA set in 2015. Dr. Fine also provided an overview of the AQMP Advisory Group and how members contribute to development of the AQMP.

2. Upcoming State Implementation Plan Obligations

Zorik Pirveysian, Planning and Rules Manager of South Coast AQMD's Planning, Rule Development, and Area Sources division, discussed the upcoming State Implementation Plan (SIP) obligations through 2022. Mr. Pirveysian informed the Advisory Group that the primary purpose of the 2022 AQMP is to address the 2015 8-hour ozone standard for the South Coast Air Basin and the Coachella Valley. The 2022 AQMP will be due to U.S. EPA by August 3, 2022.

3. Update on 2016 AQMP Implementation

Mr. Pirveysian provided an update on implementation of the 2016 AQMP. Mr. Pirveysian provided a review of the control measures adopted, rule development activities, facility-based mobile source measures, and incentive projects since the 2016 AQMP. Additionally, Mr. Pirveysian reviewed CARB's adopted SIP strategy measures since the 2016 AQMP.

4. Draft Contingency Measure Plan for 1997 8-Hour Ozone Standard

Dr. Sarah Rees, Assistant Deputy Executive Officer, of South Coast AQMD's Planning, Rule Development, and Area Sources division, presented the Draft Contingency Measure Plan to address the requirements under section 182(e)(5) of the federal Clean Air Act (CAA).

Dr. Rees provided background information regarding the emissions and air quality trends as well as the NO_x attainment strategy in the 2016 AQMP which was based on both defined measures and implementation of “Further Deployment of Cleaner Technologies”. She also discussed the provisions of federal CAA section 182(e)(5) which require contingency measures to cover the emission reductions associated with the further deployment measures 3 years prior to the 2023 attainment date. Dr. Rees then presented the proposed Draft Contingency Measure Plan, developed in collaboration with CARB and discussed its three components: 1) identified emission reduction strategies, 2) additional incentive funding, and 3) federal measures/responsibilities.

Comments/Questions from AQMP Advisory Group and Staff Responses

An Advisory Group member asked staff to explain the process for notifying the federal government about recommendations and the timeline for approval. Staff responded that the submittal is due before December 31st, 2019. Once it is received and reviewed by the U.S. EPA, the U.S. EPA will take an action on the plan. If the plan is disapproved by the U.S. EPA, a sanction clock will start. The sanctions will occur if the plan is not remedied before the scheduled start of the sanctions.

One Advisory Group member mentioned that Control Measure CMB02 of the 2016 AQMP relied on the building electrification strategy of the AB 32 Scoping Plan. The member questioned why the South Coast AQMD would not develop a contingency measure that goes above and beyond what was envisioned in this measure. Staff responded that the South Coast AQMD is open to all ideas and input on what might be considered in the plan. The Contingency Measure Plan identifies a significant level of emission reductions to address the 182(e)(5) measures in the 2016 AQMP. There were several stationary source measures in the 2016 AQMP pushing the envelope on efficiency improvements and taking credit for statewide efficiency measures. The South Coast AQMD is open to new approaches and happy to discuss ideas on how to move the bar forward and get credit for new or existing programs.

An Advisory Group member praised the South Coast AQMD for saying that all levels of government need to take action. The member continued that the plan focuses on South Coast AQMD, CARB, and the U.S. EPA, but it is leaving out Southern California Association of Governments (SCAG) and the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). The member stressed the importance of getting emission reductions from the transportation system. Staff noted that SCAG is working on their 2020 RTP/SCS and South Coast AQMD is engaged in that process to potentially identify opportunities for additional reductions. Staff added that the light-duty vehicle fleet has been getting cleaner and the focus should be shifted toward efficiencies for heavy-duty fleets or providing incentives for cleaner heavy-duty fleets. Staff will provide a report to the Advisory Group on the development of the 2020 RTP/SCS which will be included in the 2022 AQMP. CARB staff further responded that CARB’s innovative measures such as land conservations, statewide pricing policy, and other vehicle miles traveled (VMT) reductions and co-benefits from potential climate measures will also contribute to emission reductions

in this area.

One Advisory Group member stated that the Inland Empire is going to get a large percentage of the needed housing increase, and that people will need to drive from the Inland Empire to job rich areas. The housing needs should align with decreasing VMT. One way to help is through programs supporting ridesharing, vanpooling, and working from home, as well as further investment in transit. CARB staff agreed with the comment and stated that the CARB meets twice a year with the California Transportation Commission and legislation just passed requiring the Housing Community Development to be engaged in these meetings.

An Advisory Group member requested a copy of CARB's response letter to the U.S. EPA regarding SIP obligations. The member also asked about the status of the Voting District Authorization legislation. Staff responded that it is a two-year bill and is expected to gain momentum next year to be put on the ballot by 2022. Staff will provide the correspondence between U.S. EPA and CARB on SIP obligations to all members of the Advisory Group.

Another member of the Advisory Group asked if there was a backup plan for failure of the Voting District Authorization legislation. Staff stated that the hope was to get the Voting District Authorization legislation through this year in order to have 3 to 4 years of revenue available by 2023. The South Coast AQMD now anticipates that the Voting District Authorization legislation will not go through until 2022 and has reduced the anticipated emission reductions to about 15 tons per day. If the Voting District Authorization legislation is not successful, staff will consider alternative sources of funding. Staff noted that the federal measures in the Draft Contingency Measure Plan can be up to 78 tons per day, and that there could be increased contribution from federal measures – from regulatory programs and/or federal funding.

One Advisory Group member asked how the 3 to 5 tons per day of NO_x reduction at the ports was determined. Staff explained that the South Coast AQMD is currently in the process of developing a memorandum of understanding with the ports of Los Angeles and Long Beach. One of the main strategies is the clean trucks program included in the Ports Clean Air Action Plan. The emission reductions are based on a conservative assumption of \$50 to \$100 million per year of revenues from this program over a 3-year period to deploy near-zero trucks. Staff acknowledged that this is a preliminary estimate that will be updated as the Ports develop their clean truck program.

An Advisory Group member noted that about \$50 million dollars was recently awarded for the stationary/mobile incentive projects with anticipated NO_x reductions of 88 tons per year. If extrapolated, the cost of 15 tons per day of NO_x reductions would be over \$3 billion. Staff explained that not every project has the same cost effectiveness. The funds were allocated to deployment or implementation of stationary and mobile source projects as well as technology demonstration projects. The South Coast AQMD also funded stationary source reductions which generally have lower cost effectiveness than mobile source emission reduction projects. The 2016 AQMP had estimated a cost of about \$100 million for about 1 ton per day of NO_x reductions for mobile source projects. The technology

demonstration projects could potentially provide greater emission reductions in the future. With the implementation of the non-traditional stationary source incentive projects funded under recent awards, South Coast AQMD hopes to improve the cost effectiveness of these projects.

Another member of the Advisory Group asked if the 15 tons per day NO_x reductions were based on the expected future funding of \$800 million over 4 years. Staff explained that the value is based on the anticipated revenues from the Voting District Authorization legislation and the local ballot measure to raise sales tax by a ½¢, which is expected to raise about \$1.4 billion per year to achieve 15 tons per day of NO_x reductions. The Advisory Group member further noted that most emission reductions are based on potential federal measures and asked if the U.S. EPA will accept the measures. Staff responded that in the past, the U.S. EPA has generally been reluctant, but has accepted measures in some specific cases. The Draft Contingency Measure Plan makes a strong case for the U.S. EPA to take responsibility for sources under their jurisdiction for which South Coast AQMD and CARB have no authority to control. Aggressive federal action is needed to achieve substantial reductions from the federal sources.

Another member of the Advisory Group stated that SCAG is in the process of developing the next RTP/SCS called Connect SoCal. SCAG is making great efforts due to more stringent budget and the higher GHG reduction targets. The draft of Connect SoCal will be released next month with a 45-day public review period. SCAG welcomes suggestions and great ideas. SCAG has integrated the Regional Housing Needs Assessment in the development of Connect SoCal. SCAG prepared Appendix IV-C: Regional Transportation Strategy and Control Measures of the 2016 AQMP, and the 2020 RTP/SCS will contribute to the 2022 AQMP.

One Advisory Group member commented on transportation conformity budgets and that SCAG may be on a false path as their budget assumes the elimination of reliance on CAA 182(e)(5) measures when there is still a substantial reliance on these measures. The new 2022 AQMP planning should develop more meaningful NO_x budgets for the transportation system. Staff responded that South Coast AQMD will be initiating development of the 2022 AQMP at the same time SCAG begins development of the 2020 RTP/SCS. Staff also stated that we are not presuming that the plan to attain the 2037 standard will rely on CAA 182(e)(5) measures.

An Advisory Group member noted that federal sources are only responsible for 33% of the 2023 NO_x emissions while CARB and South Coast AQMD have authority over 67% of these emissions. The member questioned why the U.S. EPA would offer assistance when they are responsible for only 33% of the emissions. CARB and AQMD staff explained that the regulations for federal sources have not kept pace with sources under CARB and South Coast AQMD jurisdictions. Over time, the federal sources will continue to grow because California continues to take action. Therefore, federal action through regulations or additional funding will be critical for achieving the level of reductions needed for the attainment in 2023.

Another member of the Advisory Group mentioned that the 2-year bill struggled because it was creating a measure in a format that transportation agencies normally use, but it was open ended instead of being prescriptive. He also asked that the required emission reductions be translated into laymen's terms so that someone can understand how many vehicles or equipment units would need to be replaced to achieve the reductions. Staff noted that there is still a lot of work to do on the legislation and staff is collaborating with the local and regional transportation agencies, cities, and counties. South Coast AQMD is conducting outreach and working on how the need can be better communicated. South Coast AQMD has spent over \$1.6 billion over the past 20 years to achieve emission reductions through incentive programs. Incentive programs not only result in direct emission reductions, they also provide market signals to manufacturers to produce cleaner technologies for the newly-created market. While regulations may take time to be implemented, incentives can provide early reductions through accelerated implementation of cleaner technologies. Staff provided references to the 2016 AQMP Chapter 4 Tables 4-19 and 4-20 which provide a rough estimate of the number of cleaner vehicles/equipment and the corresponding emissions reductions. These values will be updated in the 2022 AQMP to reflect the latest technology and costs.

One Advisory Group member asked if the South Coast AQMD has looked at the realistic rollout of the technology and if it would be made available in time if all incentive funding became available. Staff responded that more time is needed for class 7 and 8 zero-emission trucks and to develop the supporting infrastructure. Near-zero trucks achieving 90% lower NOx emissions are available now and manufacturers are expected to meet the increased demand. As a public health agency, South Coast AQMD cannot afford to wait as it needs to rely on technologies that are currently available to maximize early reductions.

An Advisory Group member stated that we are in the midst of a housing crisis and they are looking forward to working with the South Coast AQMD. Staff responded that one of South Coast AQMD's facility-based measures is for new developments and redevelopment projects which is currently under development.

Mr. Pirveysian requested Advisory Group members to submit any comments on the Draft Contingency Measure to AQMPTeam@aqmd.gov or any staff at the meeting as soon as possible.

5. Other Business

No additional comments, announcements, or reports from the Advisory Group members.

6. Public Comment

No public comments.

7. Next Meeting: November 2019

Dr. Fine invited anyone wishing to privately discuss any issue to send an email or schedule

a meeting.

Dr. Fine asked if the members preferred continue discussion on the Contingency Measure Plan or if they preferred to begin discussion on the 2022 AQMP at the next meeting.

An Advisory Group member requested to continue dialogue on the Contingency Measure Plan and discuss development of the RTP/SCS.

Another member of the Advisory Group stated that it would be helpful to have more advance notice of any documents requiring review for the Advisory Group meeting.

Dr. Fine proposed the next meeting to be held in November 2019. There were no additional public comments. The meeting adjourned at 3:55 p.m.

Members Present (24)

Duane Baker, San Bernardino County Transportation Authority (SBCTA)/San Bernardino Council of Governments (SBCOG)
Alyssa Beltran, Los Angeles County Department of Public Health
Mike Carroll, Latham & Watkins
Carlo De La Cruz, Sierra Club
Tim DeMoss, Port of Los Angeles
Kim Fuentes, South Bay Cities Council of Governments
Alexander Fung, San Gabriel Valley Council of Governments (SGVCOG)
Otis Greer, County of San Bernardino
Peter Herzog, NAIOP, Commercial Real Estate Development Association, SoCal Chapter
Lakshmi Jayaram, Future Ports
Thomas Jelenić, Pacific Merchant Shipping Association (PMSA)
Kurt Karperos, CARB
Frances Keeler, California Council for Environmental and Economic Balance
Rita Loof, RadTech
Rongsheng Luo, Southern California Association of Governments
Adrian Martinez, Earthjustice
Bridget McCann, Western States Petroleum Association (WSPA)
Dan McGivney, Southern California Gas (SoCalGas)
Richard Parks, Redeemer Community Partnership
Andrea Rojas, Sierra Club
David Rothbart, Southern California Alliance of Publicly Owned Treatment Works (SCAP)
John Ungvarsky, U.S. EPA (teleconference)
Adam Wood, Building Industry Association (BIA)
Tammy Yamasaki, Southern California Edison (SCE)

Public Attendees and Interested Parties

Varalakshmi Jayaram, Ramboll
Scott King, CARB (teleconference)
Carol Sutkus, CARB (teleconference)
Sylvia Vanderspek, CARB
Scott Weaver, Ramboll
Charles Williams, The Lion Electric Co. USA

South Coast AQMD Staff Present

Naveen Berry, Assistant Deputy Executive Officer
Kalam Cheung, Ph.D., Program Supervisor
Brian Choe, Program Supervisor
Philip Fine, Ph.D., Deputy Executive Officer
Britney Gallivan, Air Quality Specialist
Kelly Trainor Gamino, Air Quality Specialist
Carol Gomez, Planning and Rules Manager
Jeff Inabinet, Senior Staff Specialist
Sang-Mi Lee, Ph.D., Program Supervisor
Rosalee Mason, Secretary
Matt Miyasato, Ph.D., Deputy Executive Officer
Zorik Pirveysian, Planning and Rules Manager
Eric Praske, Ph.D., Air Quality Specialist
Sarah Rees, Ph.D., Assistant Deputy Executive Officer
Paul Wright, Information Technology Specialist II
Rui Zhang, Ph.D., Air Quality Specialist
Xinqiu Zhang, Ph.D., Senior Staff Specialist