



Minutes for the AQMP Advisory Group Meeting Wednesday, March 14, 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 February 2007 minutes.

2. AQMP Status and Update

Mr. Joe Cassmassi, Planning & Rules Manager, gave a summary on the development process of the AQMP. Staff conducted 9 public workshops and 100 stakeholder briefings, received 41 comment letters, and released the modifications to draft plan and CEQA documents on February 23. The due date for written comments is March 30. Staff's proposed approaches will meet PM_{2.5} standards by 2014 and ozone standards by 2023. Revised emission inventories by major category and agency were presented. Staff used all reductions provided by CARB's control strategies and developed additional measures to accelerate the reductions in order to meet the PM standards by 2014. The emission reductions required in 2014 were 203 tpd NO_x (31% reduction), 59 tpd VOC (11% reduction), 24 tpd SO_x (56% reduction), and 14 tpd PM_{2.5} (14% reduction). Staff relied on NO_x-heavy control strategies to achieve 383 tpd NO_x (76% reduction), and 116 tpd VOC (22% reduction) to meet the ozone standards in 2023.

A summary of major revisions to the District's stationary and mobile source control measures was provided: The mitigation fee approach was removed from the control measure for new and redevelopment projects (EGM-01). The control measure for space heaters was revised to provide additional time and consideration of emissions threshold. The control measure for facility modernization was revised to add on a provision for retrofitting and lower the emissions reduction expectation, and the control measure for gas specification was revised to ensure that certain standard will not be exceeded. New measures were added to impose a charge of \$5,000 per ton for major sources more than 10 tons per year, identify high-emitting light and medium duty vehicles, further reduce emissions from consumer products, and account for concurrent reductions from global warming strategies. Four long term measures for mobile sources and consumer products and four contingency measures were added.

Emission reductions from CARB's measures and District's measures were presented. Dr. Chang indicated that we could not meet the PM_{2.5} standards without the use of District's additional mobile source measures, and we could not meet the ozone standards without the black-box measures. Therefore, staff obligated to propose three policy options for public review. Policy #1 would utilize all Districts' mobile source measures to obtain an additional of 71 tpd NO_x reduction. Policy #2 would require CARB to provide all reductions committed under the 2003 AQMP with additional measures to meet the 2014 deadline. Policy #3 would require the use of \$600 million per year for five years to obtain the reductions needed. The "bump-up" from "Severe 17" to "Extreme" for the South Coast air basin, and from "Serious" to "Severe 15" for the Coachella Valley is inevitable. Five regional hearings will be conducted and socioeconomic analysis will be released in April. The 2007 AQMP will be considered by the Governing Board for adoption in early May. The audience asked the following questions:

Q: Will the U.S. EPA extend the attainment deadline for PM_{2.5}? What are the portion of emission reductions committed by ARB and the District for the 2007 AQMP? Will CARB provide emission reduction on time for the PM_{2.5} attainment and ozone attainment? (Lee Wallace, Carl Walecka)

A: The District has not heard about the extension date for PM_{2.5} from the U.S. EPA. Emission reductions that could be generated from CARB's measures and the District's measures are listed in Table 4-10 – 4-12. The District is very concerned about losing time necessary for rule development.

Q: Please comment on the concurrent reductions that could be obtained from global warming strategies, particular in the VOC reductions? Are these estimated emission reductions included in the attainment demonstration model? (Paul Cho, Shep Burton)

A: We proposed a long-term measure with emission reduction commitment for AB32. However, emission reductions from global warming strategies may not occur in California due to trading. Thus, we remove the commitment on emission reduction. However, since the AB32 emission reductions will provide relief for the black box, we will recognize them through tri-annual update of the emission inventory. We can make some emission reductions estimate for a sensitivity analysis to facilitate discussions if needed.

Q: Please explain the measure proposes a fee of \$5000 per ton pollutant and comment on the possibility of implementing this measure. Is there any attempt of seeking a revisiting on this CAA requirement related to the \$5000 per ton fee since it seems unfair to charge stationary sources when they represent a small percentage (20%) of the emissions in the basin, and how to prevent facilities for not reporting a high 2010 baseline such that they can justify a 20% reduction in 2011 (Greg Adams, Curt Coleman)

A: Very likely, we will not be able to meet the 1-hour ozone standard by 2010 with current control strategies. In this case, the court requires us to implement a control measure that requires major emitting facilities (>10 tpy) to either reduce their NOx or VOC emissions by 20%, or pay a fee of \$5,000 per ton for every ton of NOx and VOC above the level that they require to be at in 2011, until attainment is met. Regarding the 8-hour ozone standard, we have developed a contingency measure with similar concept that requires major facilities to further reduce emissions or pay fees. This concept is taking directly from the CAA and we are not seeking a revisiting the CAA at this time. Falsifying emission report to get an easy 20% reduction in 2011 is unlikely to occur since such action will be audited and scrutinized by our emission inventory staff.

Q: Will health benefits be addressed in the 2007 AQMP? (Anastacio Medina)

A: Yes, the socioeconomic analysis will address socioeconomic of health benefits in April.

Q: Please comment on the status of the white paper for policy issues. What will happen if CARB not adopting the PM2.5 portion of the 2007 AQM? What comments did the District received from public meetings and what is actually the challenge, technical or financial? (Greg Adams)

A: We are preparing a revised white paper and hope to release by the end of March for comments before the four regional hearings in April. We may have to come back to our Board for the PM2.5 portion if there are any changes to the control measures proposed by CARB. We received comments on individual strategies such as solvent usage, reactivity, hot gases, boilers, facility modernization. We hope to receive more comments on policy issues and attainment approach such as should and how we rely on funding to close the gap of additional reduction needed. Technology is there but financial support is a real challenge to promote fleet turnover.

Q: What are the consumer product categories that are covered under long term measure SC-LTM-03?

A: The long term control measure SC-LTM-03 will focus in various consumer product categories such as detergents, cleaning products, floor finishes, that are regulated under CARB and that can be replaced with similar, functioning equivalent, lower emitting products that are currently used by various stationary sources. Parallel to this, we also have a short-term control measure CTS-04 to address consumer products that are not regulated by CARB such as lacquer and paint thinners.

3. CEQA Analysis

Mr. Michael Krause, Air Quality Specialist, Rule Development and Area Sources, gave a brief presentation on the draft environmental impact report. He indicated that the report evaluated all control measures for potential environmental impacts from add-on control equipment, material reformulation, fuel alternatives, and process modifications. The impact for AB32 implementation was also discussed in the draft. Staff identified significant impacts on air quality due to construction related activities, and activities related to refinery modifications would generate significant hazardous impact. Staff found no significant impacts in energy, hydrology/water quality, and solid/hazardous waste. For cumulative impacts, staff included the impacts of the SCAG's TCMs evaluated in the 2004 RTP PEIR. Staff considered ten alternatives for the 2007 AQMP such as no bump-up scenario, heavy VOC control, regional control, seasonal control, no additional project, combined VOC and NOx control, and less SOx more NOx control. The two alternatives meeting the attainment were combined VOC and NOx control and less SOx more NOx control scenarios. Staff released the PEIR in March 2 for a 45-day public review and comment period will end on April 17.

Q: Is there a curve that shows reductions versus implementing costs? Would it be better to get 90% control at \$100 million than spend \$600 million for 100% control?

A: All alternatives that meet attainment will have cost information. A 90% reduction is not a viable alternative since we cannot meet attainment with 90% control, therefore we have no costs for that alternative.

4. Schedule

Dr. Chang again summarized the upcoming 2007 AQMP schedules, conducting additional public workshops and AQMP regional hearings in April, circulating CEQA package with responses to comments to the cities for a 10-day review period, conducting a Board retreat on March 29 and 30 to brief the Board on controversial control measures, and holding a public hearing in early May.

5. Closing Remarks/Scheduling Next Meeting/Adjourn

There were no additional public comments. Dr. Chang indicated that the next meeting would be held in mid April 2007 and adjourned the meeting at approximately 12:00 p.m.

March 14, 2007 AQMP Advisory Group Meeting

MEMBERS PRESENT

Greg Adams, Los Angeles County Sanitation District
Stacy Alameida, Los Angeles County MTA
Ed Avol, University of Southern California
Shep Burton, Consultant
Curtis Coleman, Southern California Air Quality Alliance
Diane Forte, Coalition for Clean Air/Environment Now
Kim Fuentes, South Bay Cities Council of Governments
Bill LaMarr, California Small Business Alliance
Mee H. Lee, Lee Consulting Group
Melissa Lin Perrella, Natural Resources Defense Council
Anastacio Medina, American Lung Assn. of Los Angeles
Jonathan Nadler, SCAG
Peter Okurowski, Association of American Railroads
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

OTHERS PRESENT

John Billheimer, Enviro-Reality
Miles Heller, BP
Steve Han, Korean Drycleaners-Laundry Assoc.
Lori Huddleston, L.A. County MTA
Tom Ishi, SoCalGas
Graciela Kawa, Boeing
Ralph Morris, ENVIRON International Corp.
Larry Rhinehart, Larry Rhinehart & Associates
Momo Takahashi, Kesal, Young & Logan

MEMBERS ABSENT

Ralph Appy, Port of Los Angeles
Howard Berman, Environmental Mediation
Don Blose, American Lung Association of Inland Counties
Gerry Bonetto, Printing Industries of California
Art Brown, City of Buena Park
Mike Carroll, Latham & Watkins
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
Gretchen Hardison, City of Los Angeles
David Hayes-Bautista, Center for the Study of Latino Health
Joe Garcia, City of Monrovia
David Gutierrez, City of San Gabriel
Steve Levy, Center for Continuing Study of CA Economy
Glenn Maddalon, American Lung Assn of Orange County
Clayton Miller, Construction Industry Air Quality Coalition
Penny Newman, Center for Community Action and EJ
Ken Pulskamp, City of Santa Clarita
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

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