

Action Summary Minutes
San Joaquin Valley Unified Air Pollution Control District

CITIZENS ADVISORY COMMITTEE

Central Region Office, Governing Board Room
1990 E. Gettysburg Avenue, Fresno, CA

October 4, 2016
10:00 a.m.

The Citizens Advisory Committee Meeting was held via video teleconference (VTC): Central Region Office, Governing Board Room, 1990 E. Gettysburg Avenue, Fresno, the Southern Region Office, VTC Room, 34946 Flyover Court, Bakersfield and teleconference in the Northern Region Office, VTC Room, 4800 Enterprise Way, Modesto. The CAC Meeting was webcast.

1. CALL TO ORDER – The Vice Chair, Chris Savage, called the meeting to order at 10:01 a.m.
2. ROLL CALL – was taken and a quorum was present to hold a meeting

County	Member Name/Interest Group	Location
Fresno	Chris McGlothlin/IAIG (A)	Central
	Kevin Hamilton/EIG (A)	Central
Kern	Jenifer Pitcher/IAIG (A)	South
	Brent Green/CIG (P)	South
Kings	Kelly Deming/EIG (P)**	Central
Madera	Donald Horal/IAIG (P)	Central
	Lee Smith/EIG (P)	Central
Merced	Tim Durham/IAIG (P)	North
	Jack Lemen/CIG (P)	Central
San Joaquin	Roger Hoffdahl/IAIG (P)*	North
	Katelyn Roedner/EIG (P)	North
	Randall Blank/CIG (A)	North
Stanislaus	Chris Savage/IAIG (P)	North
Tulare	Derek Williams/IAIG (P)	Central
	Michael Brown/EIG (P)	South
	Rudy Mendoza/CIG (P)***	Central
	Greg Gomez/CIG (A)	Central

*(P)=Primary, (A)=Alternate, IAIG=Industry/Ag Interest Group,
EIG=Environmental Interest Group, CIG-City Interest Group*

**arrived at 10:06 a.m.*

***arrived at 10:07 a.m.*

****arrived at 10:09 a.m.*

Staff Present in Central Region Office (Fresno) – Samir Sheikh, Deputy APCO; Morgan Lambert, Deputy APCO; Dave Warner, Deputy APCO; Jaime Holt, Chief Communications Officer; Sheraz Gill, Director of Strategies and Incentives; Chay Thao, Program Manager, Todd DeYoung, Program Manager; Cathy Blevins, Network Systems Analyst II; Carol Flores, Operations and Program Support Supervisor

Staff Present in the Northern Region Office (Modesto) – Ann Marie Collins, Office Services Manager

Staff Present in the Southern Region Office (Bakersfield) – Christal Martinez, Office Services Manager

3. APPROVE MINUTES FOR AUGUST 2, 2016 – The Chair asked for comments and corrections regarding the August 2, 2016 Minutes. Hearing none, the Chair deemed the Minutes approved.

Public Comment: None

4. PUBLIC COMMENTS – None

5. CHAIR COMMENTS – None

6. EXECUTIVE DIRECTOR/APCO COMMENTS – Samir Sheikh, Deputy APCO, gave members an update on the following:

- A recent Board to Board meeting between the District and South Coast AQMD to look for ways to work together on similar issues facing both air districts and to develop resources needed to advocate at the federal level.
- At their meeting held on September 15, 2016, the Governing Board accepted up to \$25 million in state Cap and Trade funding for the District's light duty vehicle replacement program also known as EFMP Plus Up, which is administered through the District's Tune In Tune Up program. Mr. Sheikh reported so far over 18,000 vehicles have been repaired and over 750 vehicles replaced through these two very successful programs.
- Also at their September meeting, he reported the Governing Board adopted the 2016 PM2.5 Moderate Area State Implementation Plan to address the 2012 PM2.5 Standard. He said District staff is working on quite a few PM2.5 State Implementation Plan and Federal Clean Air Act mandate issues.

Mr. Savage commented that it was exciting to have a new Executive Director at South Coast AQMD and voiced hope that it would result in a more useful partnership with the District.

Public Comment: None

7. UPDATES ON ATTAINMENT PLANS AND RULES – Chay Thao, Program Manager, gave an update on District planning and rule development efforts, including:
- As previously reported, the Governing Board adopted the 2016 Moderate Area Plan for the 2012 PM2.5 Standard on September 15, 2016.
 - The District is working with ARB to determine the amount of emission reductions necessary to satisfy the 5% Plan reduction requirements for the 1997 PM2.5 standard. Public workshops will be scheduled at a later date.
 - The District is working with ARB to perform modeling runs to determine the amount of emission reductions necessary for attainment of the 2006 PM2.5 Standard. The District is also in the process of identifying and reviewing potential opportunities to reduce emissions. Public workshops will be scheduled at a later date.
 - The originally proposed September 2016 rule adoption date for Rule 9510 (Indirect Source Review) was postponed to address comments received. The District's responses and any revised rule language will be made available to the public for additional review and comment before final adoption of the rule.
 - The District hosted a public workshop on the proposed amendments for Rule 2201 (New and Modified Stationary Source Review) on July 26, 2016, and received no adverse comments. District staff had planned to present the rule to the Governing Board for adoption in September of 2016. However, in August of 2015, EPA released long-overdue regulations on implementing the PM2.5 standards in NSR rules that require an assessment of the significance of precursor pollutant emissions using a specific type of air quality modeling. EPA will not be able to approve an NSR rule that does not address EPA's implementation regulation, so adoption has been delayed until such modeling can be completed.
 - Lastly, a public workshop will be scheduled at a later date for Rule 4692 (Charbroiling).

Mr. Mendoza asked Mr. Sheikh to elaborate on the actual steps that the District will need to take to meet the air quality plan goals. Mr. Sheikh responded that mobile sources make up the vast majority of remaining emissions and there is a lot of work being done right now to highlight that issue. The District has submitted a petition to EPA to deal with trucks and locomotives, and is working on funding to back up the key component of the District's plans, which at the Governing Board's direction, also includes incentive-based strategies. He said staff is continually looking at ways to squeeze more emissions reductions from sources under District control. He added that technology is a real challenge. He encouraged members to volunteer during an upcoming item for the CAC Technical Rule Review Subcommittee to provide assistance in reviewing and providing input into District rule and control measure development.

Mr. Smith asked about the comments that required the Indirect Source Review (ISR) rule extension. Dave Warner, Deputy APCO, responded that they had to do with an

interpretation that the District was going to bring projects into the ISR rule that had previously been exempt from the rule. He said the District is making some updates to the rule language to ensure there is no confusion in rule implementation. He said the comments are available on the District's website as part of the August Board meeting package. Mr. Savage asked about the implementation delay in Rule 2201 based on EPA's problems and asked if the delay would cause additional issues in the Valley. Mr. Warner responded the problems with EPA do potentially cause some issues. He said this rule amendment was due to EPA last May, and the District process was timely but the delay was because of changes requested from ARB and EPA due to the recent federal PM2.5 Implementation Rule which was published several years behind schedule. He said at some point, EPA could make a determination of "failure to submit" on the District which would initiate a sanctions clock, and sanctions could kick in if the District failed to submit after an 18-month period. He reported that the District is on track to meet the potential deadline. Mr. Savage commented this is yet another example of how EPA's failure to act caused more problems for the District.

Mr. Hamilton asked who is responsible for doing the modeling for Rule 2201. Mr. Warner responded this is an entirely new type of modeling that EPA is requiring, which caused the delay. He said staff is preparing the modeling in conjunction with the development of their next PM2.5 plan and ARB will be doing the modeling. He said the District is ramping up its own internal modeling capabilities and it is possible some of the modeling may be done in house as well. Mr. Hamilton said he looks forward to having more local control over modeling and said it is important to understand the complexity of the situation.

Public Comment: None

8. VERBAL REPORT FROM CALIFORNIA AIR RESOURCES BOARD (ARB) –

a. *ARB Board Meeting Summary* – Elizabeth Melgoza, ARB Representative, gave a summary of the Air Resources Board meeting held on September 22, 2016, including:

- The Board approved staff recommendations for initial designations of California areas that are nonattainment for the revised national ambient air quality 8-hour ozone standard of 70 parts per billion. The ARB recommended area designations be submitted to the United States Environmental Protection Agency.
- The Board heard an informational update on the Proposed 2016 State Strategy for the State Implementation Plan (State SIP Strategy). The State SIP Strategy identifies measures for mobile sources and consumer products needed to attain health-based federal air quality standards over the next 15 years. This was the first of two planned Board meetings on the item, and the Board will consider approving the State SIP Strategy in December 2016 or January 2017.

- The Board heard an informational update on proposed amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions needed to support California's Cap-and-Trade Regulation and other greenhouse gas programs. The Board directed staff to develop 15-day revisions to the proposed amendment and to work with stakeholders on the final amendment. Staff anticipates presenting a final regulation to the Board in spring 2017.
- The Board heard an informational update on proposed amendments to the Cap-and-Trade Regulation (Regulation). The proposed amendments would extend the major provisions of the Program beyond 2020; link the Program with Ontario, Canada; continue to cost-effectively prevent emissions leakage through allowance allocations to entities; and enhance Program implementation and oversight. The Board did not take action to adopt the proposed amendments, but directed staff to work with stakeholders on 15-day revisions to the amendment.
- The Board heard an informational update on California's Proposed Compliance Plan for the Federal Clean Power Plan, which requires that California limit greenhouse gas emissions from many large power plants. This was the first of two planned hearings on the item.

Mr. Savage asked ARB to provide more information at future meetings regarding scoping plan requirements, Cap and Trade and plans post-2020. Mr. Williams asked about the linking to Ontario and whether it gives Canadian residents ability to file complaints or take action against US or California companies. Ms. Melgoza said she would provide an ARB staff contact for more information. Mr. Williams asked for that information to be provided at the next meeting. Mr. Hamilton commented as a member of the state Environmental Justice Advisory Committee (EJAC), they have been working on the 2030 Scoping Plan and have been told that the next draft will be available before the end of October. He said they are planning to hold another EJAC meeting at the District to review the draft of the plan along with a series of community meetings, and offered to provide a presentation at a future CAC meeting. Mr. Savage voiced appreciation for Mr. Hamilton's offer and said he and Mr. Cunha would discuss with Mr. Hamilton in the future.

Public Comments: None

9. ENVIRONMENTAL JUSTICE ADVISORY GROUP (EJAG) BUSINESS

- a. Appoint CAC City Interest Group Representative on EJAG – Mr. Sheikh said the purpose of this item was to reappoint Jack Lemen, as the CAC City Interest Group Representative to EJAG for an additional two-year term.

Moved: Williams

Seconded: Hamilton

Ayes: McGlothlin, Pitcher, Durham, Hoffdahl, Savage, Williams, Hamilton, Deming, Smith, Roedner, Brown, Green, Lemen, Blank

Nays: None
Abstain: Mendoza

Motion passes unanimously to reappoint Jack Lemen as CAC City Interest Group Representative on EJAG.

10. UPDATE ON AIR RESOURCES BOARD PROPOSED OIL AND GAS METHANE RULE

– Mr. Warner provided an update on ARB's effort to adopt a regulation designed to reduce methane from oil production and storage operations. He reported the District has been actively participating in the public process as the rule is being developed and actively working with both stakeholders and the state. The District intends to work with ARB and affected stakeholders to develop a District program to implement the rule. He said the rule can be implemented by either ARB or the District, but after speaking with ARB and stakeholders, all parties prefer implementation by the District.

In July 2016, the rule was presented to the ARB Governing Board by their staff, and the rule will return to the Board for final consideration early next year. Based on direction from the Board to ARB staff, the direction of the rule started to take a firmer shape. He said the District's primary concern is ensuring this rule doesn't harm the local efforts to attain clean air in the Valley by recommending the disposal of excess methane via flaring. The District's Governing Board has asked staff to support greenhouse gas control efforts that have collateral benefit of reducing criteria pollutants that affect the public's health here in the Valley. The Board has asked staff to oppose greenhouse gas reduction efforts that might cause increases in ground-level pollutants that may affect the public's health. Any flaring of methane will produce NO_x, which is the primary pollutant in the Valley's pollution equation and the most significant precursor to the Valley's wintertime particulate problems and its summertime ozone problems.

District staff has asked ARB to commit to either avoiding the NO_x increases as they implement this rule, or if they cannot avoid it, to mitigate it. At the July, ARB Board meeting, ARB staff made that commitment and assured the District that methane reduction regulation will not adversely impact the Valley's air quality attainment efforts. On a related note, Mr. Warner said some tanks have very low methane emissions, so low that it may be impossible to control the emissions, such as circulation tanks used in well stimulation processes like hydraulic fracturing. ARB staff is saying that although the current rule language would require those tanks to either be controlled or shut down, staff is planning to modify the rule so that if controlling those tanks is not feasible, they will be allowed to continue to operate. Finally, he reported the Board directed ARB staff to make leak detection and repair requirements for the rule even more stringent, by requiring ongoing quarterly monitoring. He said it appears the effective date for the rule will be late-2017 or early-2018. District staff is currently working with ARB to formulate an MOU to define the District's role in implementing this regulation and also working with industry and other interested parties through a public process to develop any necessary rules and associated fees that will be required to run that program.

Ms. Pitcher thanked District staff for all of the work they have put into the development of this rule. As the industry regulated by this rule, she said they would like the District to be the agency responsible for implementation as they have decades of experience in this sector. She said it is important to clarify that this rule applies to both oil and gas production and natural gas storage which are very different industries. She said they are continuing to ask ARB to put the LDAR step down provision in for the oil and gas production side as they have been under LDAR programs successfully for several decades. She thanked District staff for all of their hard work on this rule. Mr. Hamilton asked if District enforcement would apply statewide. Mr. Warner responded the District would handle enforcement only in the Valley.

Mr. Smith asked if the District has adopted a position on the new legislation that looks like it is requiring digesters for a number of dairies. Mr. Warner responded staff has been working with the dairy industry and digester proponents for a long period of time on the ultra-clean engines that are currently used in the digester world to produce electricity from dairy biogas. He said the District has a great track record in promoting these very, very low NOx technologies and continues to push for changes in policy, regulation and law that will encourage injection of dairy biogas into natural gas pipelines which is a more beneficial use without producing NOx. Similarly, dairy biogas can be used to create a mobile source fuel which displaces diesel combustion and subsequently produces less NOx.

Public Comments: None

11. DISCUSS PROPOSED CHANGES TO STATE'S CALENVIROSCREEN MODEL FOR IDENTIFYING DISADVANTAGED COMMUNITIES – Mr. Sheikh introduced David Lopez, Air Quality Specialist II, as the key staff member who has been tracking and helping Valley entities see what is happening with Cap and Trade funding and then work to secure those monies. He said staff thought it was important for CAC members to understand proposed changes, and also that there is a comment period that is currently open if members desired to provide feedback. Mr. Lopez presented the item on proposed changes to the state's CalEnviroScreen model, which is a screening methodology designed by the State Office of Environmental Health Hazard Assessment (OEHHA) to help identify California communities that are disproportionately burdened by multiple sources of pollution.

Mr. Sheikh directed members to the OEHHA website and said there is a lot of information available for their review. Overall, he said there appear to be more census tracts and population included in the proposed draft. Ms. Pitcher asked how allocations are decided using the model. She said it appears the Valley would have a better chance of getting more funding using population proportion or number of cities or towns that are considered disadvantaged communities. Mr. Sheikh responded OEHHA scores communities using a variety of indicators on a census track basis. He said communities

in the higher range of that score are considered a disadvantage community. He said ARB has taken a lead in developing guidance on how to use this model to guide agencies in their efforts to comply with SB535 and AB1550 by directing Cap and Trade funding toward disadvantaged communities.

Mr. Williams asked if the Valley still includes 23 out of 30 disadvantaged communities in the state. Mr. Sheikh responded affirmatively. Mr. Smith asked if the District uses CalEnviroScreen for other purposes besides funding. Mr. Sheikh responded they do not. Mr. Lemen asked what the model uses as definition of a community. Mr. Sheikh responded the model uses census tract for identifying their scores which lead to this list. Mr. Savage commented that Bay Area took the biggest hit in terms of reductions. Mr. Hamilton responded he believes it was due to a shift in the four indicators - socioeconomic, population, health, and environmental exposure.

Public Comment – None

Rudy Mendoza left at 11:15 a.m.

12. REINSTITUTE CAC TECHNICAL RULE REVIEW SUBCOMMITTEE – Morgan Lambert, Deputy APCO, said the CAC has over the years appointed a Technical Rule Review Subcommittee which has reviewed and provided input on District rules and plans as they were in the development process. Over the past several years, as rule development has slowed down at the District, there hadn't been a need for that committee to be very active. However, given the District's need to adopt numerous new plans over the next few years along with the Governing Board's direction to staff to leave no stone unturned in evaluating or re-evaluating all sources within the District's jurisdiction, staff feels it is an ideal time to re-convene this subcommittee and appoint members to assist with the review and development of control strategies for the upcoming plans and potentially new or amended rules or regulations that may arise out of those efforts. He said staff believes those duties would begin in earnest in early-2017 as the District ramps up their plan development efforts. To avoid quorum issues, the subcommittee needs to have less than 8 members and to ensure broad representation, staff suggests that no more than 3 members from any one interest group be appointed to the subcommittee. Although this is listed as an action item and formal action could be taken, he said it is the Chair's prerogative to appoint members to this subcommittee.

Mr. Savage said he was one of the members who advocated for the subcommittee many years ago and it worked really well. He noted previous issues including timing and lack of attendance, and asked members appointed this time to do what they could to help avoid them in the future. Mr. Savage suggested staff work with members who served on the previous subcommittee to address potential issues, including distribution of rule language to subcommittee members for timely review. Mr. Sheikh responded staff is committed to provide a meaningful process that is worth members' time and

resources and said part of the duties of the subcommittee would be reviewing draft rule language and control technologies.

CAC members expressed support for reconvening this subcommittee and several CAC members expressed interest in serving on the subcommittee. Given the number of absences by CAC members, Mr. Savage suggested this item will be placed on the next CAC meeting agenda to solicit further input and finalize appointment of members to the ad doc committee.

Katelyn Roedner left at 11:34 a.m.

Jenifer Pitcher left at 11:40 a.m.

Michael Brown left at 11:45 a.m.

Tim Durham left at 11:45 a.m.

Roger Hoffdahl left at 11:48 a.m.

13. UPDATE ON UPCOMING 2016-17 WINTER CHECK BEFORE YOU BURN RESIDENTIAL WOOD BURNING SEASON AND ACCOMPANYING BURN CLEANER INCENTIVE PROGRAM - Jaime Holt, Chief Communications Officer, gave members an update on the 2016-17 winter Check Before You Burn residential wood burning season and the Burn Cleaner incentive program. She also provided an overview of the following:

- Registration Program for Wood-Burning Heaters
- Burn Cleaner Wood Stove Change-Out Program
- District's Outreach During the Winter Season

Mr. Savage thanked Ms. Holt for the report and thanked staff for all of their hard work on this program. He commented that the program seems to continually evolve and get better and CAC members are glad to see such high participation levels from residents.

Public Comments: None

14. OUTREACH AND COMMUNICATIONS REPORT – Heather Heinks, Outreach and Communications Manager, reported in addition to preparing for wood burning season, the Outreach and Communications team has been busy developing a new kids outreach kit called “Healthy Air Heroes” which has been completely designed in house. She said staff has received good feedback from the public and Valley schools regarding the activity book. She also asked members to spread the word about the Healthy Air Living Kids Calendars and said the District is looking for artwork entries from children in grades K-12.

Public Comments: None

Kevin Hamilton left at 11:54 a.m.

15. CAC MEMBER COMMENTS; CAC MEMBER SUGGESTIONS TO BE INCLUDED IN THE PRESENTATION OF THE CAC REPORT DURING THE GOVERNING BOARD MEETING ON NOVEMBER 17, 2016 – Mr. Savage requested staff present additional information on District attainment plans and the lack of action by EPA, in addition to another discussion about the CAC Technical Rule Review Subcommittee at the next meeting.
16. VOLUNTEER TO PRESENT REPORT DURING GOVERNING BOARD MEETING – Mr. Savage said Mr. Cunha would likely present the item to the Governing Board at their November 17th meeting.

Meeting adjourned at 11:59 a.m.

Next Meeting – The next meeting is scheduled on December 6, 2016. The meeting will be held via video teleconference (VTC), with the Central Region Office (Fresno), the Northern Region Office (Modesto) and the Southern Region Office (Bakersfield) participating.