

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

December 5, 2017
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 Chair, Manuel Cunha, called the meeting to order at 10:03 a.m.
2. ROLL CALL – was taken and a quorum was present to hold a meeting but not to take action.

County	Member Name/Interest Group	Location
Fresno	Manuel Cunha/IAIG (P)	Central
Kern	Les Clark/IAIG (P)	South
	Jenifer Pitcher/IAIG (A)	South
	Carolyn Temple/EIG (P)	South
	Brent Green/CIG (P)	South
	Kelly Deming/EIG (P)	Central
Madera	Don Horal/IAIG (P)	Central
	Lee Smith/EIG (P)	Central
Merced	Kevin Abernathy/EIG (P)	North
	Jack Lemen/CIG (P)	Central
Stanislaus	Chris Savage/IAIG (P)	North
Tulare	Derek Williams/IAIG (P)	Central

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

District Staff Present in Central Region Office (Fresno) – Seyed Sadredin, Executive Direct/APCO; Dave Warner, Deputy APCO; Jaime Holt, Chief Communications Officer; Arnaud Marjollet, Director of Permit Services, Sheraz Gill, Director of Strategies and Incentives, Jon Klassen, Program Manager, Chay Thao, Program Manager, Cathy Blevins, Network Systems Analyst II; Michelle Franco, Deputy Clerk of the Boards

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

District Staff Present in the Southern Region Office (Bakersfield) – Christal Martinez, Office Services Manager; Leonard Scandura, Permit Services Manager

3. APPROVE MINUTES FOR SEPTEMBER 5, 2017 – The Chair, Manuel Cunha asked for member comments and corrections to the draft CAC Minutes for September 5, 2017 as included in the agenda packet. Hearing none, he declared the Minutes were approved as written.

Public Comment: None

4. PUBLIC COMMENTS – None

5. CHAIR COMMENTS – Mr. Cunha said according to the rotation schedule, a member of the City Interest Group should be elected as CAC Chair for the next two years. As there was not a quorum present to take action at the meeting, he said this item would be considered at a future meeting. In addition, Mr. Cunha congratulated Les Clark, Industry/Agriculture Interest Group primary member from Kern County, on his recent retirement from the Independent Oil Producers Association.

6. EXECUTIVE DIRECTOR/APCO COMMENTS – Seyed Sadredin, Executive Director/Air Pollution Control Officer, provided updates to the CAC on the following:

- After 40 years of representing independent oil producers, Les Clark is retiring from the Independent Oil Producers Association, but will continue to serve on the CAC.
- Changes approved by the District Governing Board to expand the Charge Up electric vehicle charging infrastructure grant program to include incentives for workplace charging.
- Upcoming public process to consider a potential proposal for a modest permit fee increase.
- Recap of key items from the 2017 Governing Board Study Session in September, including:
 - APCO's evaluation of the new EJAG reporting structure
 - Development of regional hot-spot targeted air pollution control strategies to accelerate attainment of federal standards
 - Development of community-level targeted strategies that focus on reducing public exposure to pollution sources of local concern
 - Action plan to ensure optimum participation in the District's incentive programs by Valley residents, businesses, and public institutions in Kern County

- Adopted state Cap and Trade legislative package that includes spending plan for \$1.5 billion in Cap and Trade that includes significant expenditure allocations for the Valley for a variety of clean air projects. The legislation also included the passage of AB 617 that requires the state Air Resources Board (ARB) and air districts to develop and implement additional emissions reporting, monitoring, and reduction plans and measures in an effort to reduce air pollution exposure in impacted communities.

Mr. Lemen asked whom to contact at the District regarding electric vehicle charging infrastructure. Mr. Sadredin responded Todd DeYoung, Program Manager would be the appropriate contact and said that applications and other tools were available on the District's website. Mr. Cunha asked if the District would receive funding to hire new staff to administer the new grant programs. Mr. Sadredin responded affirmatively, saying there was some administrative funding available. He said while the District has the lowest administrative costs, given the magnitude of the programs, local funds may need to be used as well to cover costs of administering the programs.

Ms. Pitcher said she is aware of other monitoring programs that ARB is planning to implement in addition to the requirements of AB 617 and asked District staff to work closely with them, as the District has the knowledge of challenges faced by the Valley and industry. She also thanked staff for working with the Western States Petroleum Association (WSPA) as they explore new ideas of how to utilize some of the incentives to find new ways to clean up the air in Kern County.

Mr. Sadredin suggested adding a standing item to future CAC Agendas for AB 617, as it is an important item for CAC members to keep an eye on. Mr. Cunha requested a senior level representative of ARB who is dealing with the implementation of AB 617 be present at future meetings. Mr. Cunha requested the District have funds available to provide assistance to stakeholders with these programs.

Public Comment: None

7. UPDATES ON ATTAINMENT PLANS AND RULES – Chay Thao, Program Manager, provided an update on the District's planning and rule development efforts, including the 2017 PM2.5 Plan, 2017 PM10 Maintenance Plan, Rule 9510 (*Indirect Source Review*), Rule 2201 (*New and Modified Stationary Source Review*), Rule 3110 (*Air Toxics Fees*), Rule 4311 (*Flares*) and Rule 4692 (*Charbroiling*).

Mr. Savage asked about the 2015 8-hour Ozone Standard and if the expectation was that EPA would classify the Valley as extreme non-attainment. Mr. Thao responded affirmatively and said that is the expectation at this point. Regarding Rule 2201 (*New and Modified Stationary Source Review*), he asked if the delay caused by EPA puts the Valley in any regulatory difficulty with EPA. Dave Warner, Deputy APCO, clarified that EPA would have to make an official finding of failure to submit before any sanctions

clocks kick in. He said the District is planning to implement a brand new type of modeling soon to address the new Federal requirements. Regarding Rule 4311 (Flares), Mr. Savage asked for an update on any stakeholder concerns expressed at recent workshops. Mr. Thao responded that stakeholders have expressed that they want to get an idea of the feasibility of the technology and flare minimization practices and more work is needed to complete the process. Mr. Savage asked Mr. Thao to keep members informed on this rule.

Mr. Cunha commended staff for the numerous workshops that the District has held across the Valley as part of the PM2.5 Plan development process, along with the outstanding job by the District's Outreach and Communication department to inform and engage Valley residents. Mr. Sadredin said staff had hoped to bring the plan to the Board for adoption in December, but it has been held up by the final modeling by ARB which the District is hoping to receive in the next couple of weeks so staff can write the plan document. He asked staff to schedule two additional workshops so the public can review the plan. He said that contingency measures must also be worked out before plan adoption. Regarding the modeling process that ARB is engaged in, Mr. Sadredin said we continue to work with ARB to improve the modeling, including verifying and improving the underlying assumptions.

Public Comment: None

8. VERBAL REPORT FROM CALIFORNIA AIR RESOURCES BOARD (ARB) – Elizabeth Melgoza, ARB representative, provided a summary of select items before the ARB Board at their November 16, 2017 meeting, including:

- The Board adopted maintenance plan and redesignation request for the Chico, CA/Butte County PM2.5 nonattainment area (Plan). The Plan demonstrates Chico attained the 35 ug/m³ daily PM2.5 standard and includes an assessment of how the standard will be maintained for the next ten years.
- The Board took action to comply with a California Court order and set aside parts of the 2015 Low Carbon Fuel Standard environmental analysis addressing NOx emissions from biodiesel.
- The Board heard a review of air quality and climate change legislation in the first year of the 2017-2018 Legislative session.

Public Comments: None

9. ELECT CITIZENS ADVISORY COMMITTEE CHAIR FOR A PERIOD FOR TWO YEARS – This item was tabled to a future meeting

10. DISTRICT IMPLEMENTATION OF CALIFORNIA'S OIL AND GAS METHANE REDUCTION REGULATION - Leonard Scandura, Permit Services Manager, provided a presentation on a proposed District program to implement a new state regulation to reduce fugitive methane emissions, a greenhouse gas, from oil and gas facilities. Even though this state regulation could be directly implemented and enforced by the California Air Resources Board (CARB), all parties, including CARB staff and the affected facilities, have expressed their preference for the District to implement this new program. The District's expertise and its extensive permitting and enforcement experience and infrastructure will result in a more effective implementation of this new regulation and will reduce the overall implementation costs for both the District and the affected facilities. Two new rules will be proposed for adoption at the December 21, 2017, Governing Board meeting, and an associated Memorandum of Agreement with the CARB to authorize the District to implement the new state regulation will be presented. Under this program, the state is also expected to reimburse the District for its costs of implementing this regulation.

Mr. Clark expressed concern with the ARB regulation. He said he previously worked with ARB on a 50-barrel exemption that was granted, and which was unopposed. He said he assumed that the smaller producers would be exempt as a result, but has now found that they are still subject to reporting requirements. He said he is completely opposed to doing paperwork for the sake of doing paperwork. Mr. Warner responded that the District agreed, and has been working very hard with ARB on this regulation and parts of it have been difficult. He said the District has developed a registration program that they believe is as streamlined as possible to implement the regulation. He said the District's program was originally designed so that any producer that is exempt from the rule was also exempt from the registration requirement. He said ARB came back after the fact and said that if the District didn't collect this information, even from exempt facilities, ARB would do it as it is required by the regulation. He said the District agreed to collect this information and send it to ARB, to maintain the single repeating path, rather than having some businesses report to ARB and some to us. He invited industry to continue to speak to ARB to see if this information gathering is really necessary and said staff is trying to gather it in the least intrusive way possible. He said District staff have also expressed their concerns to ARB staff. Mr. Cunha said he would work with industry and District staff to address these concerns with ARB.

Ms. Pitcher voiced support for Mr. Clark's comments and thanked staff for working with industry on a rule that makes the most sense with existing SJVAPCD rules and also thanked ARB staff for working with industry. She said overall this rule is incredibly complicated, very technical and applies to both oil and gas production as well as natural gas storage, which are completely different industries. Both Mr. Clark and Ms. Pitcher support for the District's implementation of the ARB rule.

Public Comment: None

11. PROPOSED AMENDMENTS TO DISTRICT RULE 9510 (INDIRECT SOURCE REVIEW RULE) - Brian Clements, Permit Services Manager, provided a presentation on a proposed amendment to District Rule 9510 (Indirect Source Review). Currently the rule applies to applicants of development projects when such project is subject to a discretionary approval from a public agency. However, the approval process for similar projects can vary between public agencies resulting in inconsistency in the applicability of the ISR rule across the Valley and a diminished ability to reduce project related emissions. Because the most significant air quality impacts are associated with large development projects, the District is proposing to amend the ISR rule to eliminate the applicability inconsistency and ensure that all large development projects are subject to the rule. After an extensive public process including four workshops and six public commenting periods, this rule amendment is proposed for adoption at the December 21, 2017, Governing Board meeting.

Mr. Savage asked what would constitute rationale for deferment of payments. Mr. Warner responded that many projects can be approved years before they begin construction, and the rule provides for a deferral of payments to just prior to beginning to generate emissions through the construction process. He said right now, the rule limits the deferral to projects that owe \$50,000 or more, and he said the District has allowed deferrals to all sizes of projects. He said the proposed amendment would ensure that the verbiage in the rule would match current practices.

Public Comment: None

12. OUTREACH AND COMMUNICATIONS REPORT – Jaime Holt, Chief Communications Officer, reported on the following outreach activities:
- Current outreach efforts for the District's Check Before You Burn program.
 - District's Annual Kids Calendars for 2018 are now available for distribution to Valley businesses and schools. She invited members to take calendars for distribution to their contacts or call to arrange to have them delivered.

Public Comment: None

13. CAC MEMBER COMMENTS: CAC MEMBER SUGGESTIONS TO BE INCLUDED IN THE PRESENTATION OF THE CAC REPORT DURING THE GOVERNING BOARD MEETING ON DECEMBER 21, 2017 – None
14. VOLUNTEER TO PRESENT REPORT DURING GOVERNING BOARD MEETING ON DECEMBER 21, 2017 – Mr. Cunha said he may not be available to present the report at the board meeting, and would coordinate with District staff.

Meeting adjourned at 11:56 a.m.

Next Meeting – The next meeting is scheduled on January 2, 2017. 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.