



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

BOARD OF DIRECTORS
CLIMATE PROTECTION COMMITTEE
COMMITTEE MEMBERS

PAMELA TORLIATT – CHAIR
TOM BATES
JOHN GIOIA
YORIKO KISHIMOTO
GAYLE B. UILKEMA

ERIN GARNER – VICE CHAIR
CHRIS DALY
SCOTT HAGGERTY
JAKE MCGOLDRICK

**THURSDAY
JUNE 7, 2007
9:30 A.M.**

**SEVENTH FLOOR BOARD ROOM
DISTRICT OFFICES**

AGENDA

1. **CALL TO ORDER - ROLL CALL**

2. **PUBLIC COMMENT PERIOD**

(Public Comment on Non-Agenda Items Pursuant to Government Code § 54954.3) Members of the public are afforded the opportunity to speak on any agenda item. All agendas for regular meetings are posted at District headquarters, 939 Ellis Street, San Francisco, CA, at least 72 hours in advance of a regular meeting. At the beginning of the regular meeting agenda, an opportunity is also provided for the public to speak on any subject within the Committee's subject matter jurisdiction. Speakers will be limited to five (5) minutes each.

3. **APPROVAL OF MINUTES OF MAY 3, 2007**

4. **OPPORTUNITIES FOR GREENHOUSE GAS (GHG) REDUCTIONS FROM STATIONARY SOURCES**

H. Hilken/4642

hhilken@baaqmd.gov

Consultants from URS Corporation will provide an overview of the study recently completed for the District, "Opportunities for Further GHG Reductions for the BAAQMD Stationary Sources."

5. **PHASE II OPPORTUNITIES FOR GREENHOUSE GAS (GHG) REDUCTIONS FROM STATIONARY SOURCES STUDY**

H. Hilken/4642

hhilken@baaqmd.gov

The Committee will consider recommending Board of Directors' approval of a Phase II study of opportunities for greenhouse gas reductions from stationary sources.

6. **DISCUSSION ON ESTABLISHMENT OF FOUNDATION**

B. Bunger/4920

bbunger@baaqmd.gov

The Committee will discuss establishing a foundation.

7. **COMMITTEE MEMBERS' COMMENTS**

Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may; ask a question for clarification, make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter or take action to direct staff to place a matter of business on a future agenda. (Gov't Code § 54954.2)

8. **TIME AND PLACE OF NEXT MEETING: - JULY 19, 2007 - 9:30 A.M. – 939 ELLIS STREET, SAN FRANCISCO, CA 94109**

9. **ADJOURNMENT**

**CONTACT CLERK OF THE BOARDS - 939 ELLIS STREET
SAN FRANCISCO, CA 94109**

**(415) 749-4965
FAX: (415) 928-8560
BAAQMD homepage:
www.baaqmd.gov**

- To submit written comments on an agenda item in advance of the meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- To request special accommodations for those persons with disabilities (notification to the Clerk's Office should be given at least three working days prior to the date of the meeting so that arrangements can be made accordingly)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 31, 2007

Re: Climate Protection Committee Draft Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the May 3, 2007 meeting of the Climate Protection Committee.

DISCUSSION

Attached for your review and approval are the draft minutes of the May 3, 2007 meeting of the Climate Protection Committee.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

**Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 771-6000**

DRAFT MINUTES

Summary of Board of Directors
Climate Protection Committee
9:30 a.m., Thursday, May 3, 2007

1. **Call to Order - Roll Call:** Chair Pamela Torliatt called the meeting to order at 9:34 a.m.

Present: Pamela Torliatt, Chair, Tom Bates, Chris Daly, John Gioia, Yorkio Kishimoto, Gayle B. Uilkema, Erin Garner (arrived at 9:44 a.m.).

Absent: Dan Dunnigan, Tim Smith.

Also Present: Board Chair Mark Ross, Scott Haggerty (arrived at 9:38 a.m.)
2. **Public Comment Period:** There were none.
3. **Approval of Minutes of January 18, 2007:** Director Kishimoto moved approval of the minutes; seconded by Director Ross; carried unanimously without objection.
4. **Air Resources Board (ARB) Presentation on AB 32 Implementation:** *Mr. Chuck Shulock, from ARB provided an overview of AB 32, the California Global Warming Solutions Act of 2006.*

Mr. Broadbent, Executive Officer/APCO stated that the presentation was being provided to brief the Committee on the status of AB 32 implementation.

Henry Hilken, Director of Planning, Rules & Research, noted that AB 32 is a great challenge and opportunity for the Air District. Numerous meetings between ARB and Air District staff have taken place to discuss how the two agencies could collaborate on this issue.

Director Haggerty arrived at 9:38 a.m.

Mr. Shulock, Head of the Office of Climate Change at ARB, thanked the Committee for the invitation, and noted that the Air District has demonstrated great leadership.

Mr. Shulock described the scope and the seriousness of climate change. The impacts include 75% loss in snow pack and 80% more “likely ozone” days.

Director Garner arrived at 9:44 a.m.

The goal of AB 32 included in the Governor's Executive Order, require that by 2020 the state revert back to 1990 greenhouse gas (GHG) emission levels. A reduction of about 174 million metric tons.

Mr. Shulock stated, from ARB's standpoint AB 32 is not just about California reducing its emissions, but it is about California showing leadership and providing a model. The Air District also provides the model for other jurisdictions.

Mr. Shulock further stated that reductions are needed across many sources and sectors, and that there is a need for a multi-agency effort, both at the State level and local levels, for both a mix of near-term and long-term approaches.

Mr. Shulock mentioned the Governor's recently announced low carbon fuel standard, calling for a 10% reduction in the carbon content of fuel by 2020. ARB is in the process of developing this measure.

The first major AB 32 deliverable is due by June 30, 2007. ARB's Board will adopt a list of Discrete Early Actions. By January 2008, two things are needed; 1) adopt regulations that require mandatory reporting of greenhouse gas emissions. The reporting would be centralized at the State level, rather than running through the Districts; and 2) adopt the 1990 GHG inventory baseline which becomes the 2020 target.

The third deliverable in January 2009 will identify the mix of measures and approaches that the ARB Board plans to pursue or others will pursue collectively, to get to the target. Regulations and programs must be adopted by January 2011.

An area of controversy is how much emphasis to place on market based approaches as a mechanism to achieve reductions. Workshops began in April 2007, and the final staff report is anticipated in October 2008.

Two advisory committees were created prior to the statutory deadline; 1) Environmental Justice Advisory Committee; and 2) The Economic and Technology Advancement Advisory Committee.

The Climate Action Team, created by the Governor, is a group of state agencies tasked with addressing climate change. Some of the agencies include the Energy Commission, CalTrans, ARB, the Office of Planning and Research and other state agencies.

The Market Advisory Committee was created by the Executive Order. The task of this Committee is to provide recommendations to ARB on a cap and trade program for incorporation into the overall mix of approaches. The Committee is a mix of both national and international experts on the greenhouse gas programs.

AB 32 gives ARB the authority and responsibility to adopt measures, but it also clearly states that ARB needs to work carefully with the Public Utilities Commission (PUC) and the Energy

Commission (CEC). PUC and the CEC are jointly managing a process to develop recommendations that would apply to both investor utilities and municipal utilities.

ARB is looking at a way to develop a multi-state registry which would become a common platform across a number of states. Arizona, California, Washington, New Mexico and Oregon have joined into an agreement to collectively pursue some regional activities. The group will be working to define commonality across the individual states as they go forward.

Chairperson Torliatt and the Committee thanked Mr. Shulock for his presentation and expressed the Air District's concerns with regard to the following:

- The need to work closely with the Air District on implementation and regulations pertaining to stationary sources;
- Stress to ARB Board that the Air District has had permitting and regulatory authority over stationary sources for decades and, is eager to work collaboratively in the implementation of AB 32;
- Utilization of infrastructure currently in place by the Air District is fiscally prudent;
- Assurance by ARB to work with the Air District on how CEQA could address greenhouse gas emission reductions;
- A need for more communication between the State, ARB, and local Air Districts; and
- Great concern about potential modifications to a system that is currently working well between the county and regional agencies.

Chairperson Torliatt requested that a copy of the approved minutes, comments and the report forwarded to Mr. Shulock at the Air Resources Board.

Committee Action: None. This report provided for information only.

5. **Opportunities for Greenhouse Gas (GHG) Reductions from Stationary Sources**

Committee Action: At the request of the Chair, Agenda Item #5 was deferred to the next meeting.

6. **Minimizing the Air District's Carbon Footprint:** *Staff provided a presentation on the Air District's effort to quantify, reduce, and offset greenhouse gas emissions associated with Air District operations.*

Mr. Broadbent introduced Ana Sandoval, Principal Environmental Planner, who provided an overview to the Committee on this item.

Ms. Sandoval noted that the Air District is a climate friendly business and currently has the following practices in use:

- Award-winning commuter benefit program;
- 9/80 and 10/40 work schedules offered;
- Certified Green Business (first and only government agency in San Francisco);
- Hybrid and CNG vehicles; and
- Support for telecommuting

The carbon footprint is calculated by:

- Electricity consumption;
- Natural gas consumption;
- Business air and ground travel;
- Board of Director travel; and
- Solid waste stream (in terms of solids)

Offset cost vary anywhere from \$10,000 to \$15,000, which do not include staff commute. The monies can be invested in energy efficiency, renewable energy, or in sequestration projects, which includes wind farms.

Next steps going forward include:

- Estimate 2006 emissions;
- Purchase offsets for 2006;
- Announce climate neutral status on June 1, 2007, which is the 2 year anniversary of the Air District's Climate Protection program;
- Identify and implement opportunities for improvement; and
- Monitor progress

Chairperson Torliatt suggested that the Air District reach out to the Association of Bay Area Government if they are not included in this project.

Director Ross requested that staff calculate the offset cost on mileage reimbursement of the Board Members, to determine what the cost would be if the members did not take that portion of their miles reimbursement.

Committee Action: None. This report provided for information only.

7. **Committee Members' Comments:** There were none.

8. **Time and Place of Next Meeting:** 9:30 a.m., Thursday, July 19, 2007 – 939 Ellis Street, San Francisco, CA 94109.
9. **Adjournment:** The meeting was adjourned at 11:10 a.m.

Vanessa Johnson
Acting Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 23, 2007

Re: Opportunities for Greenhouse Gas Emission Reductions from Bay Area
Stationary Sources

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

On June 1, 2005 the Board of Directors adopted a resolution establishing a Climate Protection Program and acknowledging the link between climate protection and programs to reduce air pollution in the Bay Area. One of the Climate Protection initiatives identified by Air District staff and presented to the Ad Hoc Committee for Climate Protection at its February 23, 2006 meeting involved conducting a study of potential greenhouse gas reduction strategies from sources historically regulated by the District. Subsequently, at the June 1, 2006 meeting of the Ad Hoc Committee on Climate Protection, staff recommended URS, Inc. be awarded a \$100,000 contract to conduct a region-wide study to identify and evaluate potential greenhouse gas emission control options for permitted stationary sources in the Bay Area. The Board of Directors approved the contract on June 6, 2006.

DISCUSSION

The study, "Opportunities for Further Greenhouse Gas Emissions Reductions for the BAAQMD Stationary Sources," identified the industries and source categories which most significantly contribute to greenhouse gas emissions and potential mitigation options for controlling those emissions. The evaluation qualitatively considered the effectiveness, costs, and impacts of each of the most promising options. The study also included a ranking of the most promising source categories for opportunities to reduce greenhouse gas emissions. Mr. Mark Strehlow of URS will present a summary of the findings.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alex Ezersky
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: May 31, 2007

Re: Phase II Opportunities for Greenhouse Gas Emission Reductions from
Stationary Sources Study

RECOMMENDED ACTION:

Recommend Board of Directors' approval of the authorization for the Executive Officer/APCO to execute a contract with URS Corporation to conduct a Phase II study of greenhouse gas emission reductions from specified stationary sources in an amount not to exceed \$95,000.

BACKGROUND

At the June 1, 2006 meeting of the Ad Hoc Committee on Climate Protection, staff recommended that URS, Inc. be awarded a \$100,000 contract to conduct a region-wide study to identify and evaluate potential greenhouse gas emission control options for permitted stationary sources in the Bay Area. The District Board of Directors approved the contract on June 6, 2006. This study has been completed.

DISCUSSION

The study, "Opportunities for Further Greenhouse Gas Emissions Reductions for the BAAQMD Stationary Sources," identified the industries and source categories which most significantly contribute to greenhouse gas emissions and potential mitigation options for controlling those emissions. The evaluation qualitatively considered the effectiveness, costs, and impacts of each of the most promising options. The study also included a ranking of the most promising source categories for opportunities to reduce greenhouse gas emissions. Mr. Mark Strehlow of URS will present the findings at the June 7, 2007 Climate Protection Committee meeting.

Staff proposes to further examine several of the more highly ranked greenhouse gas reduction opportunities from the URS study. Further reduction of landfill gas emissions and pozzolanic clinker replacement in cement manufacturing were among the most highly ranked categories for further greenhouse gas emission reductions. These control options could also yield reductions in criteria, or, potentially, toxic pollutants.

Based on the study findings, staff recommends going forward to contract a further study with the following objectives:

1. Provide the District with a detailed assessment and analysis of the costs, emission reductions, and benefits of technologies and processes available for the reduction of greenhouse gas emissions at landfills and from pozzolanic clinker replacement in cement manufacturing.

2. Provide recommendations for opportunities to incorporate the findings of this assessment into applicable existing District regulations, or, possibly, other air quality programs.

The Board of Directors approved the award of the contract to conduct the Phase I study to URS Corporation based on a rigorous review of bids submitted in response to a Request for Proposals. The Phase I study demonstrated URS' technical expertise in the field. Because the Phase II study builds from the prior work, staff recommends that this contract be awarded as a sole-source contract.

BUDGET CONSIDERATIONS/FINANCIAL IMPACT

Resources for this study are included in the District's FY 06-07 Budget.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Alex Ezersky
Reviewed by: Henry Hilken

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Torliatt and Members
of the Climate Protection Committee

From: Jack P. Broadbent
Executive Officer/APCO

Date: June 1, 2007

Re: Discussion of Establishing Foundation

RECOMMENDED ACTION:

None.

BACKGROUND

As has been discussed generally with the Board of Directors, a foundation would provide a mechanism for working with public and private entities to undertake outreach and educational programs regarding air pollution issues facing the Bay Area. A foundation would also provide a vehicle for receiving contributions from private individuals and entities in support of these outreach and educational activities. Staff will discuss establishment of a foundation with the Committee.

BUDGET CONSIDERATION / FINANCIAL IMPACT

None.

Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO