



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
JULY 19, 2007
9:30 A.M.**

**4th FLOOR CONFERENCE 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 JUNE 7, 2007**

4. **STATUS REPORT ON DISTRICT CLIMATE PROTECTION ACTIVITIES**

H. Hilken/4642

hhilken@baaqmd.gov

The Committee will receive a status report on recent and forthcoming District climate protection activities.

5. **STATUS REPORT ON DISTRICT CLIMATE PROTECTION PUBLIC OUTREACH ACTIVITIES**

J. Colbourn/5192

jcolbourn@baaqmd.gov

The Committee will receive a report on recent and forthcoming District climate protection public outreach activities.

6. **CLIMATE PROTECTION INCENTIVE PROGRAM**

H. Hilken/4642

hhilken@baaqmd.gov

The Committee will discuss the possible structure, objectives and guidelines for the Climate Protection Grant Program and other possible programs for Climate Production incentive funds.

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 - SEPTEMBER 20, 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) 749-4961
FAX: (415) 928-8561
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: July 9, 2007

Re: Climate Protection Committee Draft Minutes

RECOMMENDED ACTION:

Approve attached draft minutes of the Climate Protection Committee meeting of June 7, 2007.

DISCUSSION

Attached for your review and approval are the draft minutes of the June 7, 2007 Climate Protection Committee meeting.

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, June 7, 2007

1. **Call to Order - Roll Call:** Chair Pamela Torliatt called the meeting to order at 9:35 a.m.

Present: Pamela Torliatt, Chair, Tom Bates, Chris Daly, Erin Garner (9:45 a.m.), John Gioia (9:45 a.m.), Scott Haggerty (9:58 a.m.), Yoriko Kishimoto, Jake McGoldrick.

Absent: Gayle B. Uilkema.

Also Present: Mark Ross, Board Chair.

2. **Public Comment Period:** There were none.

3. **Approval of Minutes of May 3, 2007:** Director Kishimoto moved approval of the minutes; seconded by Director Bates; carried unanimously without objection.

4. **Opportunities For Greenhouse Gas (GHG) Reductions From Stationary Sources:**
Consultant from URS Corporation provided an overview of the study recently completed for the District, "Opportunities for Further GHG Reductions for the BAAQMD Stationary Sources."

Henry Hilken, Director of Planning, Rules & Research, introduced the topic and stated that Mark Strehlow, PE, Senior Projects Manager, consultant from URS Corporation will present the report.

Directors Erin Garner and John Gioia arrived at 9:45 a.m.

Mr. Strehlow presented the report of the region-wide study conducted to identify and evaluate potential retrofit GHG mitigation technologies for permitted stationary sources in the Bay Area region. The overall framework of the study was to identify the most significant industries and subsequent source categories contributing to GHG emissions, identify potential mitigation options for controlling the GHG emissions, and evaluate the effectiveness, costs and impacts of each of the most promising options.

The basis of selecting the source categories to be evaluated was the draft GHG emissions inventory from the Air District. The sources identified for evaluation included stationary combustion and process sources in electrical power, cement manufacturing, landfills, wastewater treatment plants, and petroleum refinery and chemical manufacturing plants. For each source category identified as high priority for evaluation within the study, potential GHG mitigation options were identified. Mr. Strehlow provided an overview of the mitigation options, estimated cost effectiveness for each representative facility, and prioritization and ranking of mitigation options.

In conclusion, Mr. Strehlow outlined the following recommendations made by URS Corporation to the District for the next phase: (1) consider the above average mitigation options, along with biotic cover and biofiltration options, for further evaluation of applicability in a more focused study; (2) conduct a detailed cost/benefit analysis of site-specific application of each selected technology; (3) conduct a comparable analysis of mitigation options for new sources in order to identify the technologies of most importance in achieving the long-term goals; and (4) evaluate reduction potential, costs, impacts and implementation barriers.

Director Scott Haggerty arrived at 9:58 a.m.

Mr. Strehlow and staff responded to the Committee's questions. In response to the Committee's request, staff provided each member with a copy of the GHG Emission Trends for the Bay Area by Major Sources for the period 1990 to 2016.

In response to Chair Torliatt's question regarding the feasibility of the Air District's authority to regulate carbon and how it would fit into the context of this study, Jack Broadbent, Executive Officer/APCO mentioned that the Board of Directors, at its meeting on June 6, 2007, had suggested to staff to investigate this issue further. Mr. Broadbent stated that staff will bring back the results of its investigations to the Committee at a future meeting. In addition, the Air District Counsel's office will review the issue to look at what the Air District's authority might be, and will provide counsel to the Committee on how to proceed.

Committee Action: The Committee accepted the report, as presented.

5. Phase II Opportunities For Greenhouse Gas (GHG) Reductions From Stationary Source Study: *The Committee considered recommending Board of Directors' approval of a Phase II study of opportunities for greenhouse gas reductions from stationary sources..*

Mr. Broadbent introduced the item by explaining that under Phase I of the study, a broad review of the categories was conducted. The District has been on the forefront and initiated this effort before AB 32 was introduced, and has now taken further steps to conduct this study which is a more focused review of some explicit categories. The District will also be reviewing its rules to see if they can be amended to obtain additional reductions. Mr. Broadbent informed the Committee that the California Air Resources Board (CARB) is moving forward with its regulatory structure as well, and the District will need to be flexible in implementing its next steps in conjunction with CARB's initiatives.

Mr. Hilken introduced Alex Ezersky, Principal Air Quality Specialist, who then presented information on the Opportunities for GHG Reduction Phase II Study. Mr. Ezersky provided a summary of the work performed to date; recommendations for next steps and an explanation for those recommendations.

Staff recommended the following:

1. Board of Directors approval of URS Corporation as the contractor to conduct Phase II study on opportunities for further reduction of GHG; and
2. Board of Directors authorization for the Executive Officer to execute a contract with the selected contractor for an amount not to exceed \$95,000 to conduct the study.

There was extensive discussion on staff's recommendation for Phase II of the study. In response to Director Garner's inquiry to receive more specific details regarding the scope of work to be performed in Phase II, Mr. Ezersky explained that it would be a quantitative assessment and a more focused study.

In response to Director Haggerty's question regarding the connection between this Committee and the Stationary Source Committee, and as to why the scope of the Stationary Source Committee is so limited, Mr. Broadbent explained that since the study is looking specifically at carbon dioxide (CO₂) and methane reductions, the data and results were first brought to this Committee since it is focused on climate protection. The Stationary Source Committee is focused on more traditional ozone precursors and particulate matter efforts. However, there is an overlap between the two Committees. Jean Roggenkamp, Deputy APCO, mentioned that one of the results of the Phase II study would be ways to modify the District's rules and regulations and at that time it would be essential to take that initiative to the Stationary Source Committee. Director Haggerty recommended that the Stationary Source Committee be kept in the loop on the data and results of this study even though there are some overlaps.

In response to Chair Torliatt's inquiry as to when the Committee would be proactively addressing new construction and new development sources as opposed to only retrofit sources, Ms. Roggenkamp stated that one of the points made by the California Air Pollution Control Officers' Association (CAPCOA) to the ARB was on how they go about regulating stationary sources under AB32 and to ensure that there are GHG reductions as well as criteria pollutants and toxics. The District has not yet heard back from ARB in terms of their perspective on AB32 and its implementation.

In response to Board Chairperson Ross' inquiry if it would be possible to include a subset to the Phase II study by including sources such as agricultural and chicken waste and reclamation waste, Mr. Broadbent explained that because of the real time nature of the AB32 implementation, the contract for the Phase II study will need to be written more flexibly so as to not only include categories that have already been identified, but to also look at some of these other suggested categories. If necessary, staff will bring this item back to the Committee for additional augmentation if some of these other sources need to be included.

Committee Action: Director Daly moved that the Committee recommend Board of Directors' approval of the following: (1) URS Corporation as the contractor to conduct the Phase II study on GHG reductions from stationary sources; and (2) Authorize the Executive Officer/APCO to execute a contract with URS Corporation in an amount not to exceed \$95,000. The Committee directed staff to provide more specific detail on the scope of work to be performed by the contractor in Phase II of the study. The motion was seconded by Director Haggerty; carried unanimously without objection.

6. Discussion on Establishment of Foundation: *The Committee discussed establishing a foundation.*

Brian Bunger, District Counsel presented information on the establishment of a foundation and discussed its potential purposes, activities and steps for creating it and explained that its purpose would be broader than simply focusing on climate change activities.

There was an extensive discussion and Mr. Bunger responded to the Committee's questions. Chair Torliatt recommended that the Budget and Finance Committee also be involved in this issue and requested staff provide the criteria for distributing the \$3 million Climate Protection Grant Program funds at the Committee's next meeting.

Committee Action: The Committee accepted the information and report.

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 11:00 a.m.

Neel Advani
Deputy 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: July 9, 2007

Re: Status Report on District Climate Protection Activities

RECOMMENDED ACTION:

None. For information only.

BACKGROUND

The Air District initiated its Climate Protection Program just over two years ago, on June 1, 2005. One of the first major accomplishments of the program was a successful regional summit on climate protection. Through ongoing staff efforts, as well as collaboration with summit participants, the Air District has established valuable regional climate protection partnerships and continues to be a leader in climate protection activity in the Bay Area. The Air District has continued to build its climate protection program, with focus on regional partnerships, technical assistance to cities and counties, outreach and education, incentive funding and stationary source technology evaluation.

DISCUSSION

Staff will present to the Committee an overview of the Air District's Climate Protection activities which include:

- GHG Emission Inventory
- \$3M Climate Protection Incentive Program
- Regional Partnership Building
 - Collaboration with Joint Policy Committee
 - Local Government Assistance Workgroup
 - AB 32 Tracking and participation
- Technical Assistance to Local Governments
 - Workshop Series
 - Data facilitation
 - Web Portal
- Outreach and Education
 - 4th-5th grade Climate Protection Curriculum

- Exploring outreach partnership with Flex Your Power and SF Department of the Environment
- Developing Radio Ad series
- Youth Summit
- Integrating climate protection message into existing outreach programs, including Spare the Air, collateral material, and the high school Clean Air Challenge curriculum.
- Stationary Source Technology Evaluation
- Integration into Air District Practices
 - CEQA Guidelines update & Comments
 - Rulemaking
 - GHG criteria in grant programs
- Carbon neutral as of June 1, 2007

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Ana Sandoval
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: July 2, 2007

Re: Status Report on Climate Protection Public Outreach Activities

RECOMMENDED ACTION:

None.

BACKGROUND

As part of the June 1, 2005, resolution that established a Bay Area Climate Protection Leadership Program, the Air District made a commitment to build public awareness about climate change and climate protection through its outreach and education activities. Since the resolution was adopted, staff has actively integrated climate protection messages into the Air District's ongoing outreach programs and worked to develop a public awareness campaign specifically focused on climate protection.

DISCUSSION

The Air District's climate protection outreach strategy is designed to educate the public about climate change and inform them how they can reduce greenhouse gas emissions. The campaign offers the public simple clean air tips that can be incorporated into their everyday lives. Staff will report on existing and new climate protection outreach activities including:

- Community partnerships and special events;
- Youth outreach;
- Media relations;
- Collateral materials; and
- Advertising campaign.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

Staff time necessary to integrate climate protection messages into the Air District's Spare the Air program is included in existing staff resources. Additional funds for a Senior Public Information Officer dedicated to climate protection outreach as well as resources for climate change educational activities were included in the FY 2007/08 budget.

Respectfully submitted,

Jack P. Broadbent
Executive Director/APCO

Prepared by: Karen M. Schkolnick
Reviewed by: Jack M. Colbourn

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: July 9, 2007

Re: Discussion of Climate Protection Grant Program Criteria

RECOMMENDED ACTION:

None.

BACKGROUND

On November 1, 2006, the Air District Board of Directors approved the establishment of a \$3,000,000 climate protection incentive program to fund greenhouse gas emission reduction activities in the Bay Area. This program was announced at the November 10, 2006 Climate Protection Summit.

DISCUSSION

During the past four months, Air District staff has met with representatives from a wide variety of stakeholder groups, including local governments, community organizations, youth organizations, and business associations, to solicit input on funding needs, emerging initiatives, and potential new activities, in order to inform the development of the Climate Protection Incentive Program. Staff has also researched and compared different types of grant program structures, from both government and private foundation programs.

In addition, staff has conducted an assessment of the breadth and level of climate activity currently underway in the Bay Area and the funding sources for those activities, in order to identify and focus the range of projects that might be eligible for funding, and to ensure that the Air District does not duplicate funding efforts currently underway.

Staff will provide the Committee with an overview of the possible structure, objectives and guidelines for the Climate Protection Grant Program and other possible programs for the incentive funds.

BUDGET CONSIDERATION / FINANCIAL IMPACT:

A \$3,000,000 transfer from Reserve for Radio Replacement to fund this incentive program was approved by the Board of Directors on November 1, 2006.

Respectfully submitted,

Jack P. Broadbent
Executive Officer/APCO

Prepared by: Abby Young
Reviewed by: Henry Hilken