

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109
(415) 749-5073

APPROVED MINUTES

Summary of Board of Directors
Climate Protection Committee Meeting
Thursday, March 20, 2014

1. Call to Order – Roll Call

Chairperson John Avalos called the meeting to order at 9:45 a.m.

Present: Chairperson John Avalos; and Directors Susan Adams, John Gioia, Scott Haggerty, Jan Pepper and Mark Ross.

Absent: Vice-Chairperson Ash Kalra; and Directors Teresa Barrett and Shirlee Zane.

Also Present: None.

2. Public Comment Period: No requests received.

3. Approval of Minutes of December 9, 2013

Committee Comments: None.

Public Comments: No requests received.

Committee Action:

Director Haggerty made a motion to approve the Minutes of December 9, 2013; Director Ross seconded; and the motion carried by the following vote of the Committee:

AYES: Adams, Avalos, Gioia, Haggerty, Pepper and Ross.

NOES: None.

ABSTAIN: None.

ABSENT: Barrett, Kalra and Zane.

4. Regional Climate Protection Work Program

Henry Hilken, Director of Planning, Rules and Research, gave the initial staff presentation *10-Point Climate Action Work Program (Work Program)*, including background, summaries of

outreach and the results, revisions to the Work Program, estimated Air District resource needs, next steps and recommendation.

The Committee and staff discussed, at slide 7, *Revisions to Work Program*, the staff report Attachment C, *10-Point Climate Action Work Program*, page 2, #6, bullet 1, regarding the Air District permitting program.

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), continued the staff presentation at slide 8, *Estimated Resource Needs*, followed by a discussion between the Committee and staff regarding the source of the proposed funds; impact on Air District productivity following the proposed reassignment of existing staff; opportunities for support and collaboration with other air districts relative to the Work Program; how to reconcile Air District work with state and federal air quality standards; current fees and the expected increase; and plans for organizational restructuring in support of the Work Program.

Mr. Hilken concluded the presentation and amended the staff recommendation to insert “2014 and” before “2015” in the opening paragraph of the *Work Program*.

Committee Comments:

The Committee and staff discussed the ongoing dialogue regarding state versus local authority under Assembly Bill (AB) 32 and the Executive Order 2050 goal; the possibility of including a 2030 goal in the Work Program; the difficulty presented by varied targets for each region in combination with varied baseline dates, depending on the availability of local inventories; the need to eliminate conflicting messaging throughout the region, especially as it relates to public outreach, preferably through a grand, unified plan; Work Program impact on Air District outreach staff; the likelihood of California meeting the 2020 goal; the revision of Resolution 2013-11, page 4, to insert “s” after “Adam” in the “Ayes”; the similarity between increased greenhouse gas (GHG) fees to the tobacco taxes imposed to pay for public health campaigns; and which strata of entities pay GHG emission fees and the reasoning for their proposed increase.

Public Comments:

Mark Strehlow, Pacific Gas & Electric (PG&E), addressed the Committee regarding the performance of and improvements to PG&E operations and to request that the Air District align its Work Program with proposals by the U.S. Environmental Protection Agency and the Administration of President Obama.

Bill Vosburg, 350 Sonoma County, addressed the Committee in support of the Work Program; to request strengthening of the permitting language under Work Program, item 6; and to urge for accelerated action in keeping with a recent study setting the climate change date of no return as 2036 instead of 2050.

Floyd Earl Smith, 350 Bay Area, addressed the Committee in support of the staff recommendation and to commend the staff effort on this matter and their welcoming of public involvement during the process.

Jane Vosburg, 350 Sonoma County, addressed the Committee to echo the comments by Mr. Vosburg, to urge for the Air District to have a leadership role on this subject, and to request strengthening of the permitting language under Work Program, item 6.

Committee Action:

Director Adams made a motion to recommend the Board adopt the 10-Point Climate Action Work Program attached to the staff report, amended on page 2, #6. Initiate Rule Development, bullet 1, to insert “and enhance” after “Review.”

The Committee and staff discussed the genesis of the existing language proposed for amendment; the complications that potential conflicts between AB32 and Air District permit conditions; whether the proposed amendment is an adequate strengthening; and the value of integrating the Work Program with the cap and trade program, as well as other applicable state and federal requirements; how the Work Program could potentially conflict with the cap and trade program; the public response to and ultimate fate of other programs throughout the state that have created conflicts in the absence of a federal standard.

Director Adams made an amended motion, seconded by Director Gioia, to recommend the Board adopt the 10-Point Climate Action Work Program attached to the staff report with the following amendments:

1. Page 1, opening paragraph: insert “2014 and” immediately before “2015”;
2. Page 1, #2. Update GHG Inventory and Forecasting: replace “2035” with “a mid-term year” and replace “2014 Clean Air Plan” with “2015 Clean Air Plan”; and
3. Page 2, #6. Initiate Rule Development, bullet 1: Replace with “Integrate GHG emissions reduction into the Air District’s permitting program to facilitate GHG reductions consistent with California’s cap and trade program and other federal and state provisions.”

The amended motion carried by the following vote of the Committee:

AYES: Adams, Avalos, Gioia, Haggerty, Pepper and Ross.

NOES: None.

ABSTAIN: None.

ABSENT: Barrett, Kalra and Zane.

The Committee requested that staff set a new baseline date of 2013/2014, or find some other way to translate the varying data to a uniform starting point, and to investigate ways to begin personalizing climate goals by first developing per capita targets for the Bay Area.

5. California Cap and Trade Program Revenue Allocation Overview

Damian Breen, Deputy APCO (DAPCO), gave the staff presentation *California Cap and Trade Program Revenue Allocation Overview*, including background, state investment plan, impacted communities, proposed State budget, impacts on Bay Area, as well as challenges and next steps.

The Committee and staff discussed, at slide 5, *California Air Resources Board (ARB)/California Department of Finance Investment Plan*, the meaning of the percentages provided.

Mr. Breen continued the presentation.

The Committee and staff discussed, at slide 6, *Impacted Communities*, the primary emissions sources within and other air quality factors affecting the San Joaquin Valley.

Mr. Breen concluded the presentation.

Committee Comments:

The Committee and staff discussed ARB's ongoing discussion about achieving co-benefits through the allocation of cap and trade revenue; the actual auction revenue versus projected revenue; perceived issues with the CALENVIROSCREEN tool and the proper approach to advocating for distributions to the Bay Area; the advisability of working with public advocates and Senator Ricardo Lara; and how best to engage the issue of ensured funding for low-carbon transportation.

Public Comments: No requests received.

Committee Action: None; receive and file.

6. AB 32 Scoping Plan Update

Jean Roggenkamp, DAPCO, introduced the topic and Sigalle Michael, Senior Environmental Planner of Planning, Rules and Research, who, at the request of Chairperson Avalos, gave an abbreviated version of the staff presentation *California Cap and Trade Program Revenue Allocation Overview*, including background, progress update, overarching message, challenges and opportunities, key sectors, sector recommendations and next steps.

Committee Comments:

The Committee and staff discussed how high-speed rail investment fits with emissions reduction targets, how best to fund it, and the existence of data in support of varied opinions on the subject; the possible fate of low-carbon fuel standards at the hands of pending litigation; and the arguments being made for shifting funding away from high-speed rail to electrification of the automobile fleet.

Public Comments: No requests received.

Committee Action: None; receive and file.

7. **Committee Members' Comments:** None.

8. **Time and Place of Next Meeting:**

Thursday, May 15, 2014, Bay Area Air Quality Management District Headquarters, 939 Ellis Street, San Francisco, California 94109 at 9:30 a.m.

9. **Adjournment:** The meeting adjourned at 11:42 a.m.

151 Sean Gallagher

Sean Gallagher
Clerk of the Boards