

BOARD OF DIRECTORS CLIMATE PROTECTION COMMITTEE

COMMITTEE MEMBERS

BAY AREA AIR QUALITY MANAGEMENT DISTRICT

TERESA BARRETT – CHAIR MARGARET ABE-KOGA SCOTT HAGGERTY KATIE RICE BRAD WAGENKNECHT ROD SINKS - VICE CHAIR JOHN GIOIA DAVID HUDSON MARK ROSS

THURSDAY SEPTEMBER 21, 2017 9:30 A.M. 1ST FLOOR BOARD ROOM 375 BEALE STREET SAN FRANCISCO, CA 94105

AGENDA

1. CALL TO ORDER - ROLL CALL – PLEDGE OF ALLEGIANCE

The Committee Chair shall call the meeting to order and the Clerk of the Boards shall take roll of the Committee members. The Committee Chair shall lead the Pledge of Allegiance.

2. PUBLIC COMMENT ON NON-AGENDA MATTERS

(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 Air District headquarters, 375 Beale 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 three (3) minutes each.

This meeting will be webcast. To see the webcast, please visit <u>http://www.baaqmd.gov/about-the-air-district/board-of-directors/resolutionsagendasminutes</u> at the time of the meeting. Closed captioning may contain errors and omissions, and are not certified for their content or form.

Staff/Phone (415) 749-

3. APPROVAL OF THE MINUTES OF JULY 20, 2017 Clerk of the Boards/5073

The Committee will consider approving the draft minutes of the Climate Protection Committee meeting of July 20, 2017.

4. CLIMATE PROTECTION GRANT PROGRAM

J. Roggenkamp/4646 jroggenkamp@baaqmd.gov

Staff will brief the Committee on preliminary concepts for the Climate Protection Grant Program established in the Fiscal Year Ending (FYE) 2018 budget.

5. UPDATE ON THE AIR DISTRICT'S BASIN-WIDE METHANE STRATEGY J. Roggenkamp/4646 jroggenkamp@baaqmd.gov

Staff will provide background information about methane including the following: the importance of methane as a climate pollutant, sources of methane in the Bay Area, and the results from recent methane research efforts. Staff will also provide an update on the roadmap for methane control measures, including a discussion of rules expected to be completed in 2018.

6. **COMMITTEE MEMBER COMMENTS / OTHER BUSINESS**

Any member of the Board, 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)

7. TIME AND PLACE OF NEXT MEETING

Thursday, November 16, 2017, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

8. **ADJOURNMENT**

The Committee meeting shall be adjourned by the Committee Chair.

CONTACT: MANAGER, EXECUTIVE OPERATIONS 375 BEALE STREET, SAN FRANCISCO, CA 94105 mmartinez@baaqmd.gov

(415) 749-5016 FAX: (415) 928-8560 BAAQMD homepage: www.baaqmd.gov

- To submit written comments on an agenda item in advance of the meeting. Please note that all correspondence must be addressed to the "Members of the Climate Protection Committee" and received at least 24 hours prior, excluding weekends and holidays, in order to be presented at that Board meeting. Any correspondence received after that time will be presented to the Board at the following meeting.
- To request, in advance of the meeting, to be placed on the list to testify on an agenda item.
- Any writing relating to an open session item on this Agenda that is distributed to all, or a majority of all, members of the body to which this Agenda relates shall be made available at the District's offices at 375 Beale Street, Suite 600, San Francisco, CA 94105, at the time such writing is made available to all, or a majority of all, members of that body.

Accessibility and Non-Discrimination Policy

The Bay Area Air Quality Management District (Air District) does not discriminate on the basis of race, national origin, ethnic group identification, ancestry, religion, age, sex, sexual orientation, gender identity, gender expression, color, genetic information, medical condition, or mental or physical disability, or any other attribute or belief protected by law.

It is the Air District's policy to provide fair and equal access to the benefits of a program or activity administered by Air District. The Air District will not tolerate discrimination against any person(s) seeking to participate in, or receive the benefits of, any program or activity offered or conducted by the Air District. Members of the public who believe they or others were unlawfully denied full and equal access to an Air District program or activity may file a discrimination complaint under this policy. This non-discrimination policy also applies to other people or entities affiliated with Air District, including contractors or grantees that the Air District utilizes to provide benefits and services to members of the public.

Auxiliary aids and services including, for example, qualified interpreters and/or listening devices, to individuals who are deaf or hard of hearing, and to other individuals as necessary to ensure effective communication or an equal opportunity to participate fully in the benefits, activities, programs and services will be provided by the Air District in a timely manner and in such a way as to protect the privacy and independence of the individual. Please contact the Non-Discrimination Coordinator identified below at least three days in advance of a meeting so that arrangements can be made accordingly.

If you believe discrimination has occurred with respect to an Air District program or activity, you may contact the Non-Discrimination Coordinator identified below or visit our website at <u>www.baaqmd.gov/accessibility</u> to learn how and where to file a complaint of discrimination.

Questions regarding this Policy should be directed to the Air District's Non-Discrimination Coordinator, Rex Sanders, at (415) 749-4951 or by email at <u>rsanders@baaqmd.gov</u>.

BAY AREA AIR QUALITY MANAGEMENT DISTRICT 375 Beale Street, San Francisco, California 94105 FOR QUESTIONS PLEASE CALL (415) 749-5016 or (415) 749-4941

EXECUTIVE OFFICE: MONTHLY CALENDAR OF AIR DISTRICT MEETINGS

TYPE OF MEETING	DAY	DATE	TIME	ROOM	
Board of Directors Executive Committee (Meets on the 3 rd Monday of each Month) - CANCELLED	Monday	18	9:30 a.m.	1 st Floor Board Room	
Board of Directors Stationary Source Committee (Meets on the 3 rd Monday of each Month)	Monday	18	9:30 a.m.	1 st Floor Board Room	
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month)	Wednesday	20	9:45 a.m.	1 st Floor Board Room	
Board of Directors Climate Protection Committee (Meets on the 3 rd Thursday of every other Month)	Thursday	21	9:30 a.m.	1 st Floor Board Room	
Board of Directors Public Engagement Committee (At the Call of the Chair)	Monday	25	9:30 a.m.	1 st Floor Board Room	
Board of Directors Budget & Finance Committee (Meets on the 4 th Wednesday of each Month) - CANCELLED	Wednesday	27	9:30 a.m.	1st Floor, Yerba Buena Room #109	
Board of Directors Mobile Source Committee (Meets on the 4 th Thursday of each Month)	Thursday	28	9:30 a.m.	1 st Floor Board Room	
OCTOBER 2017					
TYPE OF MEETING	DAY	DATE	TIME	ROOM	
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month)	Wednesday	4	9:45 a.m.	1 st Floor Board Room	
Board of Directors Executive Committee (Meets on the 3 rd Monday of each Month)	Monday	16	9:30 a.m.	1 st Floor Board Room	
Board of Directors Stationary Source Committee (Meets on the 3 rd Monday of each Month)	Monday	16	10:30 a.m.	1 st Floor Board Room	

Wednesday

18

1st Floor Board Room

9:45 a.m.

SEPTEMBER 2017

Board of Directors Regular Meeting (Meets on the 1st & 3rd Wednesday of each Month)

OCTOBER 2017

TYPE OF MEETING	DAY	<u>DATE</u>	TIME	ROOM
Board of Directors Budget & Finance Committee (Meets on the 4 th Wednesday of each Month)	Wednesday	25	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee (Meets on the 4 th Thursday of each Month)	Thursday	26	9:30 a.m.	1 st Floor Board Room
Advisory Council Mtg. (Meets on Monday Quarterly)	Monday	30	10:00 a.m.	1 st Floor Board Room

NOVEMBER 2017

TYPE OF MEETING	DAY	DATE	TIME	ROOM
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month)	Wednesday	1	9:45 a.m.	1 st Floor Board Room
Board of Directors Regular Meeting (Meets on the 1 st & 3 rd Wednesday of each Month)	Wednesday	15	9:45 a.m.	1 st Floor Board Room
Board of Directors Climate Protection Committee (Meets on the 3 rd Thursday of every other Month)	Thursday	16	9:30 a.m.	1 st Floor Board Room
Board of Directors Executive Committee (Meets on the 3 rd Monday of each Month)	Monday	20	9:30 a.m.	1 st Floor Board Room
Board of Directors Stationary Source Committee (Meets on the 3 rd Monday of each Month)	Monday	20	10:30 a.m.	1 st Floor Board Room
Board of Directors Budget & Finance Committee (Meets on the 4 th Wednesday of each Month)	Wednesday	22	9:30 a.m.	1st Floor, Yerba Buena Room #109
Board of Directors Mobile Source Committee (Meets on the 4 th Thursday of each Month)	Thursday	23	9:30 a.m.	1 st Floor Board Room

HL - 8/30/17 - 9:25 a.m.

G/Board/Executive Office/Moncal

BAY AREA AIR QUALITY MANAGEMENT DISTRICT Memorandum

- To: Chairperson Teresa Barrett and Members of the Climate Protection Committee
- From: Jack P. Broadbent Executive Officer/APCO
- Date: September 7, 2017

Re: Approval of the Minutes of July 20, 2017

RECOMMENDED ACTION

Approve attached draft minutes of the Climate Protection Committee (Committee) meeting of July 20, 2017.

DISCUSSION

Attached for your review and approval are the draft minutes of the Committee meeting of July 20, 2017.

Respectfully submitted,

Jack P. Broadbent Executive Officer/APCO

Prepared by:Marcy HiratzkaReviewed by:Maricela Martinez

Attachment 3A: Draft Minutes of the Committee meeting of July 20, 2017

Draft Minutes - Climate Protection Committee Meeting of July 20, 2017

Bay Area Air Quality Management District 375 Beale Street, Suite 600 San Francisco, California 94105 (415) 749-5073

DRAFT MINUTES

Summary of Board of Directors Climate Protection Committee Meeting Thursday, July 20, 2017

1. CALL TO ORDER – ROLL CALL

Climate Protection Committee (Committee) Chairperson, Teresa Barrett, called the meeting to order at 9:37 a.m.

Present: Chairperson Teresa Barrett; Vice-Chairperson Rod Sinks; and Directors John Gioia, Scott Haggerty, Katie Rice, and Mark Ross.

Absent: Directors Margaret Abe-Koga, David Hudson, and Brad Wagenknecht.

2. BAY AREA MODEL SOLAR ORDINANCE PROJECT (OUT OF ORDER, ITEM 5)

Henry Hilken, Director of Planning and Climate Protection, introduced Yvette DiCarlo, Advanced Projects Advisor, who gave the staff presentation *Bay Area Model Ordinance Project*, including: today's overview; why rooftop solar, why now; solar initiatives in California; solar energy in the Bay Area; the Model Solar Ordinance Project; regional partners; stakeholder input; supporting toolkit (contents, benefits, launch); and next steps.

NOTED PRESENT: Director Rice was noted present at 9:46 a.m., and Director Ross was noted present at 9:49 a.m.

Public Comments:

Public comments were given by Jed Holtzman, 350 Bay Area, David McCoard, Sierra Club; and Janet Stromberg, City of Berkeley Energy Commission.

Committee Comments:

The Committee and staff discussed the status of the first draft; the contents of the user guide; overproduction of solar energy in California and subsequent negative wholesale electricity prices; projected shifts in the correlation between wholesale availability and demand; the cost-effectiveness study commissioned by PG&E to monitor installation capacity and grid reliability for this ordinance; the feasibility of adding a provision for energy storage into the ordinance; the anticipated timelines for ordinance adoption and the toolkit launch; how local government ordinances that exceed the State's Title 24 building standard must be approved by the California Energy Commission; the District's lack of authority to impose regional *residential building code*

regulations on jurisdictions, and why a model ordinance is the appropriate approach to implement solar power; the feasibility of creating a regional "initiative" at the county level in the Bay Area to accelerate the mandatory implementation of solar power, and which would be the appropriate regional agency to coordinate a coalition of cities to support that initiative; the feasibility of adding a provision for rooftop solar thermal capture, and the District's current coordination with an organization that has developed a model solar thermal ordinance; the types of residences that are eligible for this ordinance; the need for additional public outreach regarding existing tax incentives and for new incentives for residents; and how the installation of new ready-to-use electric vehicle chargers would require an entirely separate model ordinance.

Committee Action:

None; receive and file.

3. APPROVAL OF THE MINUTES OF MAY 18, 2017

Public Comments:

No requests received.

Committee Comments:

None.

Committee Action:

Director Rice made a motion, seconded by Vice Chair Sinks, to approve the minutes of May 18, 2017; and the motion carried by the following vote of the Committee:

AYES:Barrett, Gioia, Haggerty, Rice, Ross, and Sinks.NOES:None.ABSTAIN:None.ABSENT:Abe-Koga, Hudson, and Wagenknecht.

4. PUBLIC COMMENT ON NON-AGENDA MATTERS (OUT OF ORDER, ITEM 2)

Public comments were made by Janet Stromberg, this time, representing 350 Bay Area.

5. AIR DISTRICT SUPPORT FOR PARIS CLIMATE AGREEMENT (ITEM 4)

David Burch, Principal Environmental Planner, gave the staff presentation *Air District Support for Paris Climate Agreement*, including: global cooperation on climate change; Trump Administration action; response to Trump announcement; action by Bay Area governments; potential Air District response; Air District response; and recommendation.

Public Comments:

Public comments were made by Jed Holtzman, 350 Bay Area.

Committee Comments:

The Committee and staff discussed whether the United States will be accountable to pay the remainder of the financial contributions that it agreed to under the Obama Administration, now that President Trump has withdrawn the United States from the agreement.

Committee Action:

Director Haggerty made a motion, seconded by Vice Chair Sinks, to recommend that the Board of Directors demonstrate continuing Air District support for the Paris Climate Agreement by supporting the "Under2" Memorandum of Understanding and the "We Are Still In" sign-on letter; and the motion carried by the following vote of the Committee:

AYES:	Barrett, Gioia, Haggerty, Rice, Ross, and Sinks.
NOES:	None.
ABSTAIN:	None.
ABSENT:	Abe-Koga, Hudson, and Wagenknecht.

6. COMMITTEE MEMBER COMMENTS / OTHER BUSINESS

Vice Chair Sinks asked for staff's reaction to the Governor's signing AB 398, which extends the Cap and Trade Program to 2030. The Committee and staff discussed the District's unsuccessful attempts to amend AB398 (E. Garcia) and AB617 (C. Garcia); the preemption of local air district authority to regulate greenhouse gases and carbon dioxide from stationary sources the under Cap and Trade program; the District's concern about additional air monitoring program efforts and cost recovery; the joint efforts of the local Air District Board members who also serve as California Air Resources Board members, to advocate for funding for local Air Districts; the fact that the District is not precluded from implementing criteria pollutant and toxic regulations that have GHG reduction co-benefits; and staff's appreciation of Tom Addison, Senior Policy Advisor.

Director Rice announced that the County of Marin filed a lawsuit against 37 oil and coal companies, alleging that these companies had foresight of their products emitting GHG and impacting climate change.

7. TIME AND PLACE OF NEXT MEETING

Thursday, September 21, 2017, Bay Area Air Quality Management District Office, 375 Beale Street, San Francisco, California 94105 at 9:30 a.m.

8. ADJOURNMENT

The meeting adjourned at 10:58 a.m.

Marcy Hiratzka Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT Memorandum

- To: Chairperson Teresa Barrett and Members of the Climate Protection Committee
- From: Jack P. Broadbent Executive Officer/APCO

Date: September 7, 2017

Re: <u>Climate Protection Grant Program</u>

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

On April 19, 2017, the Board of Directors adopted *Spare the Air – Cool the Climate*, the Air District's 2017 Clean Air Plan (2017 Plan). The 2017 Plan highlights the need to protect the climate by transitioning to a "post-carbon" economy in the Bay Area by 2050, and describes a comprehensive regional climate protection strategy to put us on a pathway to achieve that vision.

DISCUSSION

To successfully implement the regional climate protection strategy, the Air District will need to collaborate with a wide range of stakeholders, including cities, counties, and other local agencies throughout the region. Grant funding is one of the key tools that the Air District can employ to facilitate this collaboration. Climate grants that the Air District awarded in 2007 demonstrate how a well-designed grant program can advance climate protection efforts in the Bay Area. For example, this early round of climate grants helped to catalyze the creation and expansion of ground-breaking local programs such as the BerkeleyFirst PACE (Property Assessed Clean Energy) program and Community Choice Energy programs; these programs are now an important element of climate action programs in many Bay Area jurisdictions.

The Board of Directors approved \$4.5 million in the Fiscal Year Ending (FYE) 2018 budget for a new Climate Protection Grant Program to help implement the 2017 Plan, as well as local climate action plans. Staff is working to develop the structure and parameters of the new climate grant program, and has been meeting with stakeholders to receive their ideas and input.

Staff will brief the Committee on progress in developing the new climate grant program, including the goals of the program, potential priorities and criteria to be used in selecting projects, feedback received from stakeholders, and next steps to develop and launch the program. Based on input from the Committee, staff will develop draft program guidelines that will be presented to the Committee and the Board for review and approval later this fall.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Funding for the Climate Protection Grant Program is included in the FYE 2018 budget.

Respectfully submitted,

Jack P. Broadbent Executive Officer/APCO

Prepared by: <u>David Burch</u> Reviewed by: <u>Henry Hilken</u>

BAY AREA AIR QUALITY MANAGEMENT DISTRICT Memorandum

- To: Chairperson Teresa Barrett and Members of the Climate Protection Committee
- From: Jack P. Broadbent Executive Officer/APCO

Date: September 11, 2017

Re: Update on the Air District's Basin-Wide Methane Strategy

RECOMMENDED ACTION

None; receive and file.

BACKGROUND

The latest science has underscored the need to reduce emissions of short-lived greenhouses gases (GHG) in order to avoid the worse impacts of climate change (IPCC, 2014). Methane (CH₄) is a potent but short-lived GHG. It is 86 times more potent than carbon dioxide (CO₂) when compared on a 20-year time horizon and it has a much shorter atmospheric lifespan of 12 years (vs. 20 - 200 years for CO₂) (IPCC, 2014). Due to these factors, actions to reduce methane emissions can provide significant and immediate climate benefits while CO₂ emissions are steadily reduced to achieve long-term climate stability. Curbing methane emissions would also reduce emissions of its co-pollutants, which can include key climate, criteria and toxic pollutants, resulting in improvements to public health and further climate benefits.

In recognition of these benefits, the Air Resources Board (ARB) adopted a short-lived climate pollutant (SLCP) reduction strategy for the State of California in March 2017. The strategy addresses emissions of methane (and other SLCPs) not covered by ARB's Cap-and-Trade program. The SLCP Strategy was developed to help the State achieve its goal of reducing methane (and other SLCP) emissions 40% by the year 2030, set by SB 1383. In the document, ARB emphasizes the critical role that air districts can play in the success of the State's strategy by implementing short-lived climate pollutant emission reduction strategies in their own jurisdictions.

Methane is the second leading GHG in the Bay Area Air District. In 2015, sources in the district emitted an estimated 10 million metric tons of CO_2 equivalent (MMT CO_2e), about 10 percent of the GHG inventory. According to a recent study commissioned by the Air District to evaluate its methane inventory (Fischer and Jeong, 2016), three source categories represent approximately 84 percent of these emissions. These categories are mainly related to human activities; landfills are the largest source by far, accounting for 53 percent of these emissions, followed by livestock (16 percent) and natural gas production and distribution (15 percent). These emissions estimates carry a large uncertainty (50 percent or more), consistent with a recent study that suggests that methane emissions in the Air District's "bottom-up" inventory are 1.5 - 2 times lower than

expected from top-down measurements (Fairley and Fischer, 2015). This "methane gap" has been repeatedly observed for the U.S. and California regions, where top-down observations that account for ambient methane concentrations suggest that there are large, unaccounted methane emissions in bottom-up inventories.

Given the importance and potential co-benefits of controlling methane, the Air District has included a comprehensive basin-wide Methane Strategy (measure SS16) as part of its 2017 Clean Air Plan.

DISCUSSION

The Methane Strategy seeks to better quantify and reduce emissions of methane, and its copollutants, from all sources throughout the Air District, in support of ARB's methane reduction goals. The Methane Strategy will accomplish these objectives by combining research, rulemaking, collaborations with state agencies, and other efforts such as incentive programs.

Elements of this strategy will include: 1) intensifying efforts to improve the Air District's methane emissions inventory, 2) developing a rule to prohibit significant methane leaks throughout the district as a backstop while source-specific rules are developed, 3) collaborating with state agencies on their methane rules under development, 4) identifying cost effective and technically feasible methane emissions reduction opportunities throughout the Bay Area, and 5) considering the removal of methane exemptions from existing Air District rules when appropriate.

Staff will present an update on the Methane Strategy efforts, including methane research initiatives and the highest priority rules under development.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None, activities accounted for in approved budget.

Respectfully submitted,

Jack P. Broadbent Executive Officer/APCO

Prepared by: <u>Idania Zamora</u> Reviewed by: <u>Greg Nudd</u>