

Bay Area Air Quality Management District
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APPROVED MINUTES

Advisory Council Regular Meeting
Monday, February 6, 2017

Note: An audio recording of the meeting is available on the website of the Bay Area Air Quality Management District at <http://www.baaqmd.gov/about-the-air-district/advisory-council/agendasreports>

1. CALL TO ORDER

Advisory Council (Council) Chair, Stan Hayes, called the meeting to order at 10:03 a.m.

Roll Call:

Present: Council Chair Stan Hayes and Vice Chair Michael Kleinman; and Members: Professor Severin Borenstein, Dr. Robert Harley, and Dr. Jane Long.

Absent: Member Tam Doduc and Dr. Tim Lipman

Also Present: Cupertino Councilman Rod Sinks, Board of Directors (Board) Liaison.

2. WELCOME (OUT OF ORDER, ITEM 3)

Chair Hayes reviewed the items of the agenda and invited Jack Broadbent, Executive Officer/Air Pollution Control Officer, to remark on the status of the District's rule development. Ex-Officio Advisory Council Member, Director Rod Sinks, summarized the Board's recent discussions of the regulatory initiatives currently under development and noted that the Board desires the Council's insight on this matter.

3. APPROVAL OF THE MINUTES OF OCTOBER 3, 2016 (ITEM 2)

Public Comments:

No requests received.

Council Comments:

Member Borenstein requested that the language at the end of Item 3 (Welcome) be changed from, "the implications of shifting generation to plants outside the territory in which a cap is being enforced" to "the implications of *moving production* outside the territory in which a cap is being enforced."

Council Action:

Member Long made a motion, seconded by Member Borenstein, to approve the Advisory Council minutes of October 3, 2016 as amended; and the motion carried by the following vote of the Council:

AYES: Borenstein, Harley, Hayes, Kleinman, and Long.
NOES: None.
ABSTAIN: None.
ABSENT: Doduc and Lipman.

4. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

OTHER BUSINESS

5. ADVISORY COUNCIL DELIBERATION ON THE KEY QUESTION

The Council began its 6th discussion regarding its opinion on the efficacy of greenhouse gas (GHG) caps on local refineries, with the intention of finalizing the summary of its deliberations on the matter. Revisions made to the summary since the previous Council meeting on October 3, 2016 were reviewed, and then Chair Hayes asked for final revisions.

Public Comments:

Public comments were made by Roger Lin, Communities for a Better Environment (CBE).

Council Comments on the Document in General:

The Council and staff discussed the potential for benefits from caps if caps are applied broadly enough, trade is controlled, and border adjustments are imposed.

Council Comments on “Discussion” Section:

The Council and staff discussed how the language on Draft Rule 11-18 is a summary of the Draft Staff Report, and not the Council’s opinion; property damage resulting from climate change; global climate change versus regional climate change; the range of time that should be considered when referring to the global warming potential of methane; how effective GHG policies that reduce gasoline demand may be in reducing gasoline usage and GHG emissions; and whether the District should support the *deployment* of carbon capture and sequestration, or only support research.

Council Comments on “Guiding Principles” Section:

The Council and staff discussed the California Air Resources Board’s (CARB) leakage policy within the Cap and Trade Program; whether the State’s variance to apply standards that are more stringent than federal standards applies to GHG; and the District’s authority to regulate stationary sources, but not mobile sources.

Council Action:

Chair Hayes made a motion, seconded by Member Borenstein, to approve the summary of the Council's opinion on the key question as amended; and the motion carried by the following vote of the Council:

AYES: Borenstein, Harley, Hayes, Kleinman, and Long.
NOES: None.
ABSTAIN: None.
ABSENT: Doduc and Lipman.

6. PRESENTATION ON REGULATION 13, RULE 1: REFINERY CARBON INTENSITY CAP

Dr. Jeff McKay, Deputy Air Pollution Control Officer, stated that staff and the Board are seeking input from the Council on the development of Draft Regulation 13, Rule 1. Mr. Broadbent added that Board members have expressed interest in having Draft Rule 13-1 be an alternative to Draft Rule 12-16. Dr. McKay introduced Eric Stevenson, Director of Meteorology, Measurement, and Rules, who gave the staff presentation *Regulation 13, Rule 1: Refinery Carbon Intensity Caps*, including: issues; proposed solutions; impact of stack height at refineries; cancer risk drivers for a typical large refinery; top sources of GHG emissions at a typical large refinery; refinery rulemaking history and progress; Draft Rule 11-18; key factors in refinery carbon intensity; standard, heavy/sour, and light/sweet operations; crude oil comparison; impact of Rule 13-1 carbon intensity limit; comparison of Rules 12-16 and 13-1; schedule; and next steps.

Public Comments:

Public comments were given by Bill Quinn, California Council for Environmental and Economic Balance; Greg Karras, CBE; and Bob Brown, Western States Petroleum Association.

Council Comments:

The Council and staff discussed the distinction that benzene and diesel particulate matter are not GHG, despite being included in a chart of top sources of GHG emissions at typical large refineries; the status of the installation of fence line monitors around the refineries as required by Rule 12-15, and the public's reservations about refineries' self-regulation of monitors; the number of Bay Area refineries that have operating coker units, and toxic pollutants emitted from the coking process; the proposed GHG and criteria pollutant emissions limits of Draft Rule 12-16, and the history of how limits were imposed on different units; the issues that District staff believes would result from Draft Rule 12-16, and which of those issues relate to GHG caps versus criteria pollutant caps; the District's development of a toxics regulation (Draft Rule 11-18) designed to directly address local impacts to refinery communities; other sources of toxics throughout the Bay Area, and the need for a presentation to the Council on the Rule, as it seeks to establish a risk management threshold for all Bay Area stationary sources; Draft Rule 13-1's compatibility with CARB's 2030 Scoping Plan; how Draft Rule 13-1 would require additional refinery projects, that may increase production, to offset their emission increases; worldwide gas emissions versus California gas emissions; the types of refinery emissions that were to be reduced by twenty percent per *District Resolution 2014-07: Addressing Emissions from Bay Area Refineries*; the criteria for evaluating a rule's effectiveness; how broadening the purview of

the word “toxic” (beyond the cancer risk factor) reveals that Draft 13-1 and 12-16 would indirectly contribute to the reduction of toxic emissions; the appropriate risk threshold for Draft Rule 11-18, and the Council’s opinion of how conservative and achievable the staff-recommended threshold of ten-in-one-million is; and the types of refineries in the Bay Area.

The Council recessed at 12:25 p.m., and resumed at 1:22 p.m.

The Council and staff resumed their discussion, which included the following: District staff’s acknowledgment of the environmental justice community’s view on local criteria pollutants; the District’s efforts to examine sources that may have more localized impacts for Particulate Matter (PM); fee structures for toxics and criteria pollutants; the purpose of having local GHG reduction programs, despite the existence of the Cap and Trade Program; and the difference between PM₁₀ and PM_{2.5}.

Council Action:

None; receive and file.

7. ADVISORY COUNCIL DELIBERATION ON THE DRAFT 2017 CLEAN AIR PLAN/REGIONAL CLIMATE PROTECTION STRATEGY

Dr. McKay explained that the Council’s input was requested on the Draft Clean Air Plan, with particular attention to the Executive Summary for first chapter. Dr. McKay introduced Henry Hilken, Director of Planning and Climate Protection, who gave the staff presentation *Advisory Council Deliberation on the Draft Clean Air Plan/Regional Climate Protection Strategy*, including: critical challenges; what is this plan?; climate challenge in the Bay Area; healthy air for all Bay Area residents; where do we want to be in 2050?; how does this plan get us there?; priority actions; input into this plan; Bay Area leadership; next steps; and open house highlights.

At this time, a video promoting *Spare the Air, Cool the Climate*, was shown.

Public Comments:

No requests received.

Council Comments:

The Council and staff discussed Bay Area GHG projections to 2050 with key state programs; the distribution and frequency of the airing of the video; the distinction between what people are willing to change and what changes will actually be effective solutions to climate issues; the misconception that switching to clean technology will have the same effect as reducing emissions at the source; projections of an increase in electricity demand due to population growth and electrified transportation, and the feasibility of nuclear power; the feasibility of electrifying the aviation sector; the effectiveness of the Plan’s presentation boards at the Open Houses, and the suggestion of giving them greater visibility to show how the pieces of the Plan fit together; how certain requirements and data that are visible only in the Plan’s Appendices should be included in the actual text of the Plan to show the progress that has been made; the need for focus on efficiency, electrification, and decarbonization in the future; reduced population exposure; making intra-regional mobility within the Bay Area a focus for the Plan, in

the event that people continue to live too far from their destinations for walking or biking to be feasible; the distinction between the time scales of climate measures and air quality control measures (long term versus short-term); staff's request for the Council's future deliberations on disproportionately impacted communities in local exposure to air pollution and improvements to the Community Air Risk Evaluation (CARE) program; the Council's suggestion to reconsider the word "eliminating" in the phrase "eliminating disparities"; the Council's desire to see the District focus on programs that have a regional and comparative advantage to existing State programs; the socioeconomic impact of the District's regulatory programs; and the Council's interest in making the Plan more strategic.

Council Action:

None; receive and file.

8. CHAIRPERSON'S REPORT

Chair Hayes announced that the Air & Waste Management Association's Annual Conference will be held in Pittsburgh, PA from June 5-8, 2017 and asked members of the Council who are interested in attending to let him know.

9. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

10. COUNCIL MEMBER COMMENTS / OTHER BUSINESS

None.

11. TIME AND PLACE OF NEXT MEETING

During the meeting, the next Advisory Council meeting was tentatively scheduled for April 3, 2017. Chair Hayes requested that staff poll the members of the Council to confirm the date.

12. ADJOURNMENT

The meeting adjourned at 2:59 p.m.

/s/ Marcy Hirtzka
Marcy Hirtzka
Clerk of the Boards