



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

**BOARD OF DIRECTORS
EXECUTIVE COMMITTEE MEETING**

COMMITTEE MEMBERS

**SCOTT HAGGERTY – CHAIRPERSON
GAYLE UILKEMA – SECRETARY
JERRY HILL
MARK ROSS
PAMELA TORLIATT**

**MARLAND TOWNSEND – VICE
CHAIRPERSON
MARK DeSAULNIER
JULIA MILLER
TIM SMITH**

**WEDNESDAY
SEPTEMBER 29, 2004
9:45 A.M.**

**FOURTH 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 three (3) minutes each.*
- 3. APPROVAL OF MINUTES OF JUNE 30, 2004**
- 4. QUARTERLY REPORT OF THE HEARING BOARD** **T. Dailey/4965**
- 5. REPORT OF THE ADVISORY COUNCIL** **E. Blake/4965**
Eblake@igc.org
 - a) Presentation of the Advisory Council Recommendation pertaining to the 2004 Ozone Strategy*
 - b) Presentation of the Advisory Council Recommendation on the District role regarding indoor air quality*
 - c) Presentation of the Advisory Council Recommendation pertaining to the California Performance Review*
 - d) Summary of key issues discussed at meetings of the Council and its Standing Committees.*
- 6. STATUS REPORT ON THE 2004 OZONE STRATEGY** **J. Roggenkamp/4646**
jroggenkamp@baaqmd.gov

Staff will present a status report on the 2004 Ozone Strategy.
- 7. HYDROGEN FUEL CELL CONFERENCE** **J. Roggenkamp/4646**
jroggenkamp@baaqmd.gov

Staff will present information pertaining to a District-sponsored Hydrogen Fuel Cell Conference.
- 8. STATUS REPORT OF GOODS MOVEMENT CONFERENCE** **J. Roggenkamp/4646**
jroggenkamp@baaqmd.gov

Staff will present information regarding the Goods Movement Conference.

9. **INFORMATION SYSTEMS DIVISION UPDATE**

J. McKay/4629

jmckay@baaqmd.gov

Staff will present the status of ongoing work to define the future Production System that will replace IRIS and Databank.

10. **CLOSED SESSION**

Conference with District's Labor Negotiators
(Government Code § 54957.6(a))

*Agency Negotiators: Jack P. Broadbent, Executive Officer/APCO
Michael Rich, Human Resources Officer*

*Employee Organization: Bay Area Air Quality Management District Employees'
Association, Inc.*

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

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).

12. **TIME AND PLACE OF NEXT MEETING: 9:30 a.m., Wednesday, DECEMBER 29, 2004, 939 ELLIS STREET, SAN FRANCISCO, CA**

13. **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
939 ELLIS STREET
SAN FRANCISCO, CALIFORNIA 94109
(415) 771-6000

DRAFT MINUTES

Summary of Board of Directors
Executive Committee Meeting
9:45 a.m., Wednesday, June 30, 2004

1. **Call to Order - Roll Call:** Chairperson Scott Haggerty called the meeting to order at 9:49 a.m.
Present: Scott Haggerty, Chair, Julia Miller (10:08 a.m.), Mark Ross, Pamela Torliatt, Marland Townsend, Gayle Uilkema.
Absent: Mark DeSaulnier, Jerry Hill, Tim Smith.
2. **Public Comment Period:** There were no public comments.
3. **Approval of Minutes of April 30, 2004:** Director Townsend moved approval of the minutes; seconded by Director Torliatt; carried unanimously without objection.
4. **Quarterly Report of the Hearing Board:** Hearing Board Chair Thomas Dailey, M.D., presented the Hearing Board Quarterly Report – January 2004 – March 2004. Dr. Dailey reported that Deputy Clerk Neel Advani provided training on the Hearing Board procedures to six new inspectors and also assisted in re-writing the brochure for Variances. Dr. Dailey expressed his thanks to the Board of Directors for his and Mr. Colline's reappointments.
5. **Report of the Advisory Council:** *Report of Council Meetings.*

This report was not presented.
6. **Status Report on the 2004 Ozone Strategy:** *Staff presented a status report on the 2004 Ozone Strategy.*

Peter Hess, Deputy APCO, presented the report and stated that this Plan addresses both the state and national ozone attainment and maintenance issues that the District will be facing. Mr. Hess noted the other agencies and stakeholders who have provided input on a wide range of potential control measures. Based on evaluations of the potential control measures, District staff has identified 14 stationary source measures, three mobile source measures, 19 transportation control measures, and 20 further study measures. The further study measures will be analyzed to determine whether they warrant inclusion in the Ozone Strategy. Mr. Hess explained that preparation of the 2004 Ozone Strategy has included substantial public outreach and he reviewed the District's outreach efforts.

In response to a question from Chairperson Haggerty, Mr. Hess stated that the Air District, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) are tri-lead agencies and approval is needed from all three agencies to submit the Plan to the California Air Resources Board (CARB). Brian Bunker, Counsel, added that there is a statutory requirement in the Health and Safety Code in addition to ARB regulations that require the three agencies to act together to approve the Plan.

In response to a question from Director Torliatt, Mr. Hess stated that the District looks at a 10-year projection in this Plan.

In response to a question from Director Uilkema, Jack Broadbent, Executive Officer/APCO, stated that the Environmental Protection Agency (EPA) has 18 months to make a decision on the District's re-designation. The maintenance Plan will be a demonstration to EPA that the District can maintain the one-hour standard. With respect to the new eight-hour standard, the District will have to take steps to continue to achieve and maintain the eight-hour standard.

EPA is proposing to revoke the federal one-hour standard in June 2005. There was discussion on possible litigation of the matter. Mr. Broadbent noted that the South Coast AQMD and other agencies are considering litigating EPA on revoking the one-hour standard because they do not want to see a time lapse between the one-hour standard and the eight-hour standard.

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

7. Information Systems Division Update:

Jeff McKay, Director, Information Services Division, presented the report and stated that now that the District has completed the implementation of JD Edwards, the focus will now be on the production system. Mr. McKay reviewed the old and new systems, the purpose of the production system, and the current status. The production system implementation method of buy/build was discussed along with the implementation steps. The steps include the following: 1) module breakdown, 2) tool selection, 3) a design would be developed during the first quarter of 2005 and then a delivery date and cost would be established, and 4) building the system, which is projected to be in 2007. Funds in the amount of \$2.75 Million are included in the 2004/2005 District budget.

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

8. Legal Report on the Use of Small Claims Court for Enforcement Cases: *Staff presented a report on the use of Small Claims Court in Enforcement cases.*

Brian Bunker, Counsel, presented the report and stated that one of the ways the Legal Division is addressing the "back log" of cases is to go to Small Claims Court. Mr. Bunker reviewed Health and Safety Code Section 42403, which describes what the District should take into consideration before assessing a penalty. Mr. Bunker discussed the attributes of Small Claims Court as follows: 1) there is a \$5,000 limit, 2) a simple claim form initiates the case, 3) there is no discovery or motions, 4) the hearings are informal and there is no representation by an attorney, and 5) they can

be appealed to Superior Court. Mr. Bunger noted the advantages and disadvantages of the use of the Small Claims Court and the types of cases that can be brought to Small Claims Court.

In conclusion, Mr. Bunger noted the following statistics:

- The District has filed 20 cases over the past year.
- Five cases are awaiting hearings.
- Six cases have settled after filing.
- Of the 9 cases that have gone to judgment, the District lost only one case.
- One win has been appealed.
- The District has received \$20,604.38 in awards and settlements.

During discussion Mr. Bunger reported that most cases settle for less than \$5,000 and he reviewed the limits on civil penalties that is in the Health and Safety Code. Mr. Bunger indicated that there are between 2,000 and 2,500 open cases at any given time.

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

9. **Closed Session: Public Employee Performance Evaluation:** *Pursuant to Government Code Section 54957, the Committee met in Closed Session to conduct a performance evaluation of the District Counsel.*

The Committee adjourned to Closed Session at 10:46 a.m.

The Committee reconvened to Open Session at 11:14 a.m.

Mr. Broadbent reported that the Committee met in Closed Session to conduct a performance evaluation of the District Counsel. The Committee provided Mr. Broadbent with direction on the performance review and the matter will be presented to the full Board at its next meeting.

10. **Committee Member Comments:** Chairperson Haggerty requested that the District produce an Annual Report before the end of the year.
11. **Time and Place of Next Meeting:** 9:30 a.m., Wednesday, September 29, 2004, 939 Ellis Street, San Francisco, CA.
12. **Adjournment.** The meeting was adjourned at 11:16 a.m.

Mary Romaidis
Clerk of the Boards

mr

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

TO: Chairperson Scott Haggerty and Members of the Executive Committee
FROM: Chairperson Thomas M. Dailey, M.D., and Members of the Hearing Board
DATE: September 22, 2004
RE: Hearing Board Quarterly Report – APRIL 2004 – JUNE 2004

RECOMMENDED ACTION:

This report is provided for information only.

DISCUSSION:

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Alameda/Fremont	NEW UNITED MOTOR MANUFACTURING, INC. (Appeal – Docket No. 3462) – Appeal from issuance of the Authority to Construct for Application No. 8794 – Pro Forma Hearing	Title V	Matter continued to 11/18/04	===	(VOC) & (NOx)
Alameda/Newark	PECHINEY PLASTIC PACKAGING, INC. (Appeal - Docket No. 3430) – Appeal from specific Terms and Conditions imposed in the Revised MFR Permit for Facility # A0273 – Pro Forma Hearing	Title V	Withdrawn. Parties reached settlement	===	===
Alameda/Oakland	EAST BAY MUNICIPAL UTILITY DISTRICT (EBMUD) (Variance – Docket No. 3460) – Variance from regulation requiring compliance with permit conditions (APCO not opposed.) – Full Variance Hearing	2-1-307	Withdrawn. Enforcement Agreement signed	===	(H ₂ S)
Alameda/Oakland	ROLLS-ROYCE ENGINE SERVICES-OAKLAND, INC. (Variance – Docket No. 3466) – Variance from regulation limiting emissions of volatile organic compounds from the surface preparation and coating of aerospace components and cleanup of aerospace coating equipment	8-29-302	Withdrawn. District cancelled NOV	===	===
Contra Costa/Antioch	GAYLORD CONTAINER CORPORATION doing business as Inland Paperboard and Packaging, Inc. (Variance – Docket No. 3465) – Variance from regulation requiring compliance with permit conditions and from regulation limiting emissions of nitrogen oxides from stationary gas turbines (APCO not opposed.)	2-1-307 9-9-301.2	Withdrawn. Enforcement Agreement signed	===	(NOx)

<u>COUNTY/CITY</u>	<u>PARTY/PROCEEDING</u>	<u>REGULATION(S)</u>	<u>STATUS</u>	<u>PERIOD OF VARIANCE</u>	<u>ESTIMATED EXCESS EMISSIONS</u>
Contra Costa/Martinez	AIR PRODUCTS & CHEMICALS, INC. (Appeal – Docket No. 3457) <i>– Appeal from the Decision of the Air Pollution Control Officer concerning Modification to Permit to Operate No. 5222 – Full Hearing</i>	Appeal	Withdrawn	===	===
Contra Costa/Martinez	SHELL OIL PRODUCTS US, MARTINEZ REFINERY (Emergency Variance – Docket No. 3468) <i>– Emergency Variance from regulation requiring compliance with permit conditions; regulation establishing emission limits for sulfur dioxide from all sources including ships, and limits ground level concentrations of sulfur dioxide; and regulation on Standards of Performance for New Stationary Sources</i>	2-1-307 9-1 10-NSPS, Subpart J	Denied	===	(SO ₂)
Contra Costa/Richmond	CHEVRON PRODUCTS COMPANY (Variance – Docket No. 3467) <i>– Variance from regulation requiring compliance with permit conditions and from regulation limiting emissions of nitrogen oxides and carbon monoxide from boilers, steam generators, and process heaters in petroleum refineries</i>	2-1-307 9-10-305 & 502	Withdrawn	===	(NO _x) & (CO)
Contra Costa/Rodeo	CONOCOPHILLIPS COMPANY (Variance – Docket No. 3464) <i>– Variance from regulation requiring compliance with permit conditions and from regulation limiting emissions of nitrogen oxides from stationary gas turbines (APCO not opposed.)</i>	2-1-307 9-9-301.3	Withdrawn	===	(NO _x) & (CO)
San Mateo/Half Moon Bay	OX MOUNTAIN LANDFILL (Variance – Docket No. 3463) <i>– Variance from regulation requiring compliance with permit conditions and from regulation limiting emissions of non-methane organic compounds and methane from the waste decomposition process at solid waste disposal sites (APCO did not take a position.) – Interim Variance Hearing</i>	2-1-307 8-34-113, 301 & 303	Denied	===	(NMOC), (POC), (VOC) and (TAC)
San Mateo/Half Moon Bay	OX MOUNTAIN LANDFILL (Variance – Docket No. 3463) <i>– Variance from regulation requiring compliance with permit conditions and from regulation limiting emissions of non-methane organic compounds and methane from the waste decomposition process at solid waste disposal sites (APCO not opposed.) – Short-Term Variance Hearing</i>	2-1-307 8-34-113, 301 & 303	Granted	4/1/04 to 6/28/04	14,325.49 # (VOC, POC & NMOC) 3,480.85 # (TAC)

**NOTE: During the second quarter of 2004, the Hearing Board dealt with 3 Dockets on 3 hearing days.
A total of \$ 34,334.88 was collected as excess emission fees during this quarter.**

Respectfully submitted,

Thomas M. Dailey, M.D.
Chair, Hearing Board

Prepared by: Neel Advani, Deputy Clerk of the Boards

FORWARDED: _____
NA:na (9/22/04) (HBEXQURT)

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Memorandum

To: Chairperson Haggerty and Members of the Executive Committee
From: Elinor Blake, Chairperson, Advisory Council
Date: September 15, 2004
Re: Report of the Advisory Council: July 1 – September 8, 2004

RECOMMENDED ACTIONS:

- A. Consider adoption of the recommendations of the Advisory Council regarding the District's 2004 Ozone Control Strategy.
- B. Consider adoption of the recommendations of the Advisory Council regarding Indoor Air Quality.
- C. Consider adoption of the recommendations of the Advisory Council regarding the proposed elimination of the California Air Resources Board by the Governor's California Performance Review.
- D. Review, receive and file the attached minutes, which are provided as informational background to the Council's discussion of the foregoing recommendations.

DISCUSSION:

Presented below are summaries of the key issues discussed at meetings of the Council and its Standing Committees during the above reporting period.

- 1) Executive Committee Meeting – July 14, 2004. The Committee reviewed the status of the Standing Committee work plans and scheduled topics for upcoming meetings. *(Minutes included in the September 15, 2004 Board of Directors Regular Meeting Agenda packet.)*
- 2) Regular Meeting – July 14, 2004. The Council reviewed the reports of its Standing Committees. It also received a presentation from District staff on the Community Air Risk Evaluation (CARE) program and provided suggestions regarding it. *(Minutes included in the September 15, 2004 Board of Directors Regular Meeting Agenda packet.)*
- 3) Air Quality Planning Committee Meeting – August 3, 2004. The Committee reviewed the District's Ozone Control Strategy and adopted recommendations regarding it for consideration by the full Advisory Council. *(Minutes included in the September 29, 2004 Board of Directors Executive Committee Meeting Agenda packet.)*

- 4) Technical Committee Meeting – August 4, 2004. The Committee reviewed the District’s Ozone Control Strategy and adopted recommendations regarding it for consideration by the full Advisory Council. *(Minutes included in the September 29, 2004 Board of Directors Executive Committee Meeting Agenda packet.)*
- 5) Public Health Committee Meeting – August 9, 2004. The Committee discussed the District’s role in indoor air quality management and made recommendations regarding it for consideration by the full Advisory Council. *(Minutes included in the September 29, 2004 Board of Directors Executive Committee Meeting Agenda packet.)*
- 6) Executive Committee Meeting – September 8, 2004. The Committee reviewed the status of the work plans of its Standing Committees, as well as Council activities in 2004 to date noting that the plans are on schedule *(Minutes included in the September 29, 2004 Board of Directors Executive Committee Meeting Agenda packet.)*
- 7) Regular Meeting – September 8, 2004: The Council reviewed and adopted recommendations on the District’s Ozone Control Strategy, the District’s potential role in Indoor Air Quality, and a resolution regarding the proposed abolition of CARB in the Governor’s California Performance Review. *(Minutes included in the September 29, 2004 Board of Directors Executive Committee Meeting Agenda packet.)*

Respectfully submitted,

Elinor Blake
Advisory Council Chairperson

Prepared by: James Corazza

FORWARDED BY: _____

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

September 8, 2004

To: Scott Haggerty, Chairperson, and Members of the Board Executive Committee

From: Elinor Blake, Chairperson and Members of the Advisory Council

Re: Advisory Council Recommendations on District's Ozone Control Strategy

At its meeting on September 8, 2004, the Advisory Council adopted the following set of findings and recommendations for further study regarding the District's Ozone Control Strategy.

Topic

Review of the District's Ozone Control Strategy.

Background

Relevant Committee Meetings and Topics on Ozone Planning Within the Last Year

Technical Committee:

- December 9, 2003: Ozone, NO_x, and HC ambient concentration trends in the Bay Area; Update on District modeling efforts
- February 24, 2004: Control Strategy Review
- April 6, 2004: Control Strategy Descriptions (joint meeting with the AQPC)
- June 3, 2004: Review of EMFAC2002; NO_x Controls and Ozone Formation
- August 4, 2004: Update from staff

Air Quality Planning Committee:

- April 6, 2004: Control Strategy Descriptions (joint meeting with the Tech. Com.)
- June 15, 2004: Control Strategy Descriptions
- August 3, 2004: Final Discussion on Control Measures

Council Findings

Based on the information presented at the above meetings and committee discussion, the Advisory Council has collected the following set of findings regarding the District's ozone planning process and agrees that the District staff has selected appropriate measures:

1. for review and adoption as control measures or further study measures.
2. as transportation control measures.
3. from other Districts for review and adoption as control measures or further study measures.

Observed trends

- Since 1965, the number of days above the one-hour standard, ozone levels measured, and the number of stations per ozone episode have decreased.
- Ozone formation times are getting longer due to successful efforts to reduce reactive compound precursor emissions. Slower reactivity may have impacts for intra- and inter-basin downwind areas.
- Maximum ozone levels in the Bay Area are very close to the one-hour federal standard. Thus, attainment is highly susceptible to extreme meteorological conditions, such as, extension of a sustained (2-3 day) regional high over the Bay Area that impedes on-shore breeze flow and results in higher than normal temperatures, increase ultraviolet radiation, and lower mixing depth.

District Modeling Efforts

- BAAQMD modeling efforts for volatile organic compounds (VOCs) and nitrogen oxide (NOx) are reproducing observed ozone patterns during exceedance periods, but additional efforts are needed to understand all major interactions between emissions, modeling, and chemistry.
- Heavy-duty diesel vehicle travel patterns are not well represented in EMFAC 2002.
- A fuel-based emission inventory indicates that NOx emissions from on-road heavy-duty diesel vehicles are underestimated, especially in the San Joaquin Valley.
- EMFAC 2002 does not account accurately for an increase in diesel fuel sales between 1990 and 2000.

Control Measures

- All feasible control measures must be identified and adopted for the District to be in compliance with the California Clean Air Act.
- Some NOx measures if adopted in the Bay Area may not reduce, and may increase, ozone locally. The relative magnitudes and health implications of these increases and decreases are not yet clear and await the completion of the District's modeling efforts.

- Most stationary source measures have been adopted to date. Many further reductions are needed from sources under the jurisdiction of the CARB and EPA.
- Previous modeling and data analysis indicates that, in the Bay Area, VOC reductions are more effective in reducing peak ozone concentrations than are NO_x reductions. However, ongoing modeling and data analysis will determine if this is still the case.
- Changes in NO:NO₂ ratios in diesel vehicle exhaust could change the importance of NO_x reductions and ozone chemistry.

Recommendations for Further Study

From the above set of findings, we make the following recommendations:

1. The District should continue to improve model performance, particularly in the following areas:
 - More accurately represent emissions from heavy duty diesel vehicles,
 - Characterize NO and NO₂ emission fractions from diesel vehicles and hydrocarbon speciation more generally.
2. Apply the improved model to understand:
 - Inter- and intra-basin transport issues,
 - Emission reduction scenarios, with particular emphasis on the impact of the relative reduction of VOC and NO_x emissions, and
 - Impacts of various urbanization growth patterns, including but not limited to Transportation Control Measure No. 15.
 - Impacts of alternative fuels
3. Place continuing pressure on CARB and EPA to pass stringent regulations over sources outside the District's jurisdiction, because many of the "low-hanging fruit" have been picked.
4. Include a FSM for alternative fuels, specifically including but not limited to emulsified, ethanol, biodiesel and other fuel types. The District should take into account their applicability under existing and future technologies.
5. Work in concert with the Council to explore the local and regional implementation of items identified in Transportation Control Measure No. 15

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

September 8, 2004

To: Chairperson Haggerty and Members of the Board of Directors Executive Committee

From: Chairperson Blake and Members of the Advisory Council

Subject: Air District Role in Indoor Air Quality

Topic

The District's role in Indoor Air Quality (IAQ) management.

Background

Indoor air pollutants present a well-documented harm to the public's health. Studies of the health effects and their considerable scope are summarized in the recent California Air Resources Board (CARB) draft report, *Indoor Air Pollution in California*, June 2004 (<http://www.arb.ca.gov/research/indoor/ab1173/ab1173.htm>). Pollution indoors is generated both from within buildings, and from the air outside. Many California agencies and universities are engaged in various aspects of research and education on the subject, but, in the words of the CARB draft report, "there is no systematic program [in California] to improve indoor air quality, there are relatively few regulations or standards to address individual indoor air quality problems, and few resources focused on effectively addressing problems and promoting improvements. Current efforts to address indoor pollution are not commensurate with the scope of the risk to health it poses to Californians."

Recommendations

In this vacuum, the District is presented with an unusual opportunity to explore creatively its potential role in improving indoor air quality, which affects the health of everyone in the Bay Area. To augment—but in no case to supplant—the District's activities to improve ambient air quality, we recommend that:

- (1) The District convene or initiate a workshop or series of workshops, or summit, within the next year in which government agencies, researchers, and organizations concerned with IAQ can discuss the current and potential roles of the District and others in improving IAQ. Included among the issues to be addressed should be building materials and their appropriate installation and maintenance. These workshops might be convened as statewide, involving other Air Districts, or as Bay Area workshops with state agency representation. Such workshop(s) would provide a forum for the generation and exchange of ideas and information to develop District proposals and programs for a cohesive approach to IAQ.

- (2) The District consider establishing a graduate student investigator initiative to research impacts of regional air pollution on indoor environments. The Bay Area has an impressive number of universities that conduct research on IAQ: this initiative would allow the District to tap into those resources at relatively little cost, with the added benefit of providing recognition to the District. CARB, CDHS and other agency experts could also be mentors. The District could administer the program or arrange with another entity to do so (e.g., a non-profit such as the Public Health Institute; a university President's Office; a Bay Area foundation). Students would apply annually for the funds, and a review committee would select among the proposals. The California Interagency Working Group on Indoor Air Quality, in which the District participates, could assist by suggesting potential IAQ-related research topics.

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

August 19, 2004

To: Scott Haggerty, Chairperson and Members of the Board Executive Committee

From: Elinor Blake, Chairperson and Members of the Advisory Council

Re: Resolution by the Bay Area Air Quality Management District to Retain the Independence of the California Air Resources Board (ARB)

1. Whereas the Advisory Council is composed of citizen members representing various groups within the Bay Area whose job is to advise the Board of Directors of the Bay Area Air Quality Management District; and
2. Whereas this diverse Council recognizes the critical importance of maintaining an independent ARB in order to achieve clean air throughout the state; and
3. Whereas the ARB is responsible for an improvement in air quality throughout the state because of precedent-setting strategies, including, but not limited to:
 - a. Establishing clean fuel standards
 - b. Setting emissions standards for new motor vehicles sold in the state
 - c. Implementing the Carl Moyer program to reduce emissions of nitrogen oxides and particulate matter from diesel engines throughout the state; and
4. Whereas the ARB is continuing its path of improving air quality by exploring new strategies, including, but not limited to:
 - a. Understanding the relationship of land use to air quality
 - b. Working to reduce greenhouse gas emissions; and
5. Whereas the California Performance Review Team has recommended that the ARB be dissolved and absorbed into a centralized state Department of the Environment; and
6. Whereas we believe that its absorption would inevitably decrease its effectiveness; and
7. Whereas, the Advisory Council resolves that we believe it to be in the best interest of the air districts and all the people in the Bay Area and throughout California that the ARB remain an independent board.

Therefore, the Advisory Council recommends that the Board of Directors consider adopting a motion of support for the continuation of the CARB as independent board.

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council
Air Quality Planning Committee Meeting
1:30 p.m., Tuesday, August 3, 2004

- 1. Call to Order – Roll Call.** 1:41 p.m. Quorum Present: Harold Brazil, Chairperson, Irvin Dawid, Emily Drennen, Fred Glueck, John Holtzclaw, Ph.D., Kraig Kurucz. Absent: Kevin Shanahan.
- 2. Public Comment Period.** There were none.
- 3. Approval of Minutes of June 15, 2004.** Dr. Holtzclaw moved approval of the minutes; seconded by Mr. Kurucz; carried unanimously.
- 4. District's Ozone Control Strategy.** Chairperson Brazil called for discussion on the District's Ozone Control Strategy. The following points were made in discussion of the Further Study Measure (FSM) on biodiesel:
 - a) some transit agencies consider biodiesel impractical as it entails a loss of warranty protection on vehicle engines. An AC Transit biodiesel demonstration project on buses revealed many engine breakdowns. Biodiesel does not major particulate matter (PM) reductions, but the extent of reductions in emission of NOx is less impressive. (Brazil)
 - b) biodiesel is being demonstrated in a refuse truck fleet in Berkeley and may be more applicable to this type of fleet rather than to an urban transit fleet. (Dawid)
 - c) the feasibility of this FSM will include evaluation of potential feed stock sources and several bench tests on various types of equipment to ascertain emission benefits. The District will evaluate emulsified fuel as well. (Henry Hilken, Environmental Planning Manager)
 - d) keeping fuel emulsified for a stand-by field generator can be costly and impractical. (Kurucz)
 - e) the purpose of alternative fuels is to reduce this country's dependence on petroleum. Biodiesel is also less polluting to produce than ethanol. (Dawid)

The following points were made in discussion of indirect source mitigation:

- (a) the San Joaquin Valley air district is considering a rule that would require a permit on land-use developments with certain types of air quality impacts and thereby provide an incentive for sound development. The District will closely track the rule given the potential for litigation from the building industry. State law requires that a nexus exist between a fee and the associated pollution mitigation. The District will continue to advocate Smart Growth. (Hilken)
- (b) four years ago, this Committee reviewed the District's indirect source mitigation authority in parking cash-out and urban heat island programs. (Glueck)

- (c) the Bay Area is much more Smart Growth and transit oriented than it was two decades ago. A number of years ago the Metropolitan Transportation Commission (MTC) analyzed an alternative transit scenario that included denser development, and parking cash-out, etc. The results from that alternative when compared with the preferred regional transportation plan scenario Regional Transportation Plan showed greater reductions in driving by 8%, in congestion by 15%, and in emission reductions by 7-8%. Since then, the Association of Bay Area Governments (ABAG) has conducted more compact projections. A repeat of the 1994 projections by MTC showed fewer land-use savings because of demographic changes and more compact projections. (Holtzclaw)
- (d) despite such projections from MTC and ABAG, land-use remains fragmented in the Bay Area with its 101 cities and nine counties. Despite transportation control measures (TCMs) and smart growth strategies, decision-making nevertheless remains with local entities. (Dawid)
- (e) congestion acts as an educator and motivator toward Smart Growth; and planning grants are an effective way of providing communities with input. (Holtzclaw)
- (f) The District should use its financial influence in grant allocation as a motivator to get cities to reduce trips and vehicle miles traveled (VMT), and also to encourage Smart Growth. (Glueck)

Chairperson Brazil stated the Committee has so far identified two issues in its discussion. The first concerns the FSM on alternative fuels, and the second advocates getting regional planning assistance for local planners and to promote Smart Growth. Mr. Glueck suggested that the District be more aggressive in communicating with and educating local planners. Mr. Dawid stated that the District should also comment on controversial projects from a regional perspective.

Mr. Hilken replied that the District's comments in environmental review primarily concern major projects. However, having input at the general plan or specific plan level is better because it occurs earlier in the process. He added that the District has a project endorsement process in which criteria on density and access would be discussed in comment letters. The Committee could comment on and prioritize the items set forth in TCM No. 15. Also, the Transportation Fund for Clean Air provides extra points for the implementation of TCMs. Mr. Kurucz opined that influence on traffic locally and regionally is also achieved through setting forth appropriate categories of review in proposals that come to local decision-makers.

Mr. Hess observed that the Committee's comments emphasize the implementation of TCM No. 15. The Council's assistance in communicating information to local planners and governments in the nine Bay Area counties would also be very useful. A couple of years ago, District staff and Councilmember Hayes made presentations to the planning departments of local entities on urban heat island mitigation. Mr. Hess suggested that the Committee consider ways of implementing TCM No. 15 after the Ozone Control Strategy is adopted. It would get local entities involved in applying regional principles locally.

Chairperson Brazil suggested the Committee include in its formal recommendations that Council members attend meetings with local planners. Mr. Hess stated these meetings would combine staff and the Council, and emphasize woodsmoke abatement, urban heat islands, Smart Growth and the Spare the Air program. Mr. Glueck suggested the Committee keep in mind that such efforts do not have to be limited to redevelopment and planning departments but could also include major developers and their planning staff. If the latter make the appropriate proposal to the local decision makers then the ideal planning categories would already be incorporated in project development.

After further discussion, Mr. Kurucz moved that the Committee adopt the following recommendations; seconded by Dr. Holtzclaw; carried unanimously:

The Advisory Council agrees that the District staff has selected appropriate measures:

- 1. for review and adoption as control measures or further study measures.*
- 2. as transportation control measures.*
- 3. from other Districts for review and adoption as control measures or further study measures.*

The Council also has the following line items that it further wishes to comment on in the Plan:

- 1. The District include a FSM for alternative fuels, specifically including but not limited to emulsified, ethanol, biodiesel and other fuel types. The District should take into account their applicability under existing and future technologies.*
- 2. The District and Council work in concert to explore the local and regional implementation of items identified in TCM No. 15.*

The Committee agreed that the implementation of TCM No. 15 should be the primary task of its work plan for next year.

- 5. Committee Member Comments/Other Business.** There was brief discussion on pending legislation proposing the elimination of exemption for vehicles 30-years and older in the state's Smog Check program.
- 6. Time and Place of Next Meeting.** 9:30 a.m., Tuesday, October 12, 2004, 939 Ellis Street, San Francisco, CA 94109.
- 7. Adjournment.** 3:25 p.m.

James N. Corazza
Deputy Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council
Technical Committee Meeting
1:30 p.m., Wednesday, August 4, 2004

1. **Call to Order – Roll Call.** 1:40 p.m. Quorum Present: Louise Bedsworth, Ph.D., Chairperson, Sam Altshuler, Bob Bornstein, Ph.D., William Hanna, John Holtzclaw, Ph.D., Norman A. Lapera, Jr. Absent: Stan Hayes.
2. **Public Comment Period.** Dr. Holtzclaw distributed for information the Air Quality Planning Committee's comments that it adopted yesterday on the District's Ozone Control Strategy.
3. **Approval of Minutes of June 3, 2004.** Dr. Holtzclaw requested that "Plan" be changed to "Plans" on line one of paragraph four on page three; and "Holtzclaw" to "Holtzclaw" on line one of the final paragraph on page 12. He moved the approval of the minutes as corrected; seconded by Dr. Bornstein; carried unanimously.
4. **District's Ozone Control Strategy.** Chairperson Bedsworth reviewed her July 7, 2004 memorandum entitled "Discussion of District Ozone Reduction Strategies and Planning." In discussion, Jean Roggenkamp, District Planning Division Director, and Phil Martien, Senior Atmospheric Modeler, proposed the following editorial suggestions to the memorandum:
 - a) Under *Ambient Trends* replace "significant" with "sufficient" in line six.
 - b) Under *District Modeling Efforts* in line two replace "is underestimating temperature, wind speed, and O₃" with "underestimates wind speed in some areas of the Bay Area, but performs well for Bay Area O₃." In line three, end the sentence at "disparities." Add a second sentence to read: "Based on comparisons to a fuel-based estimate, modeling inventories appear to underestimate VOC from on-road vehicles in the Bay Area." Append a new bullet to read: "The model underestimates temperatures and ozone in the San Joaquin Valley." In the next to last bullet, line two of page two, replace "affect" with "reduce and may even increase."
 - c) Under *EMFAC2002* insert "NO_x" before "emissions" in line one and add at the end of that sentence "especially in the San Joaquin Valley. NO_x emissions from heavy-duty diesel sources are not well represented." In line five, replace "weighted by reactivity" with "speciated by EMFAC." In line six, replace "Model" with "EMFAC."
 - d) Under *NO_x Control Measures*, on line nine add to the third sub-bullet " , unless heavy-duty diesel is specifically targeted."
 - e) Under *Key Findings*, on line nine under No. 2(b) after "mobile sources" add "including light-duty mobile." Delete 2(c) entirely. End the first sentence of No. 5 "Monday." Replace "but it is not" with "it is" and replace "or" with "and" prior to "activity."

Replace “are well understood” with “especially for heavy-duty diesel sources, need to be more accurately represented in modeling inventories on these days.”

Chairperson Bedsworth called for public comment, and the following individual came forward:

Steve Ziman
ChevronTexaco Energy Technology Company
Richmond, California

stating it will be necessary to review the modeling simulations from the Central California Ozone Study (CCOS) and to assess the analyses of data relative to the ozone episodes before firm conclusions about the ozone control strategy can be reached. Smog algorithms can help to assess the benefits and disbenefits of each ozone precursor, along with ozone response surface runs on the base case to see how the model responds to the reduction of each precursor. While NO_x concentrations decrease downwind it would be helpful to know what the active volatile organic compounds (VOCs) are downwind and if fresh NO_x will react to them. These dynamics need further review.

In response to Committee member comments that the text should recognize improved model performance, Ms. Roggenkamp noted that while some information has been provided today, further work is needed for the technical analysis. Control measures for the ozone strategy will have to be based on the modeling results, but these have not yet been completed.

The Committee discussed the text and reached consensus on the following modifications:

Under *Relevant Meetings & Topics* add “on ozone planning within the last year” and include today’s meeting in the chronology.

Add a heading to immediately follow the above heading entitled *Committee Findings*.

Change *Ambient Trends* to *Observed Trends*. In the first bullet add “one hour” before “standard.” In the second bullet, recognize the District’s successful work in targeting the most reactive VOCs, in light of longer reaction times and the corresponding impact on inter- and intra-basin transport. Thematically combine the third and fourth bullets with their focus on temperature and include that in the sixth bullet on meteorological conditions, indicating: “Maximum ozone levels in the Bay Area are very close to the one-hour federal standard. Thus, attainment is highly susceptible to extreme meteorological conditions, such as extension of a sustained (2-3 days) inland regional high over the Bay Area that impedes on-shore breeze flow and results in higher than normal temperature, maximizes UV and lower mixing depth.” Delete the fifth bullet on design values.

Under *District Modeling Efforts* indicate that they are “reproducing observed ozone patterns during exceedances periods, but additional efforts are needed to understand all major interactions between emissions, modeling, and chemistry.”

Under *Control Measures*, incorporate the staff’s proposed edit on how certain NO_x measures may increase ozone locally. Add a second sentence to indicate: “But, these measures could reduce ozone in the Central Valley.” In the third bullet delete “Need” and insert “Many further reductions”; and delete “that” prior to “are from sources under the jurisdiction of CARB and EPA.”

Place the text included under the *EMFAC 2002* heading under *District modeling efforts* with these modifications: (a) Add the new bullet suggested above by staff on fuel-based estimates. (b) To the end of the first bullet add “on-road heavy duty diesel vehicles.” (c) Conclude the second bullet at “2000.” (d) Replace “model” with “EMFAC” in the fourth bullet.

Change *NOx Control Measures* to *Control Measures*, and (a) delete the first bullet; (b) delete the second sub-bullet from the second bullet; (c) add a statement indicating that “previous modeling and data analysis indicates that, in the Bay Area, VOC reductions are more effective in reducing peak ozone concentrations than NOx reductions. However, ongoing modeling and data analysis will determine if this is still the case.”; (d) add: “Changes in NO:NO₂ ratios in diesel vehicle exhaust could change the importance of NOx reductions and ozone chemistry.” This will account for the need to distinguish nitrogen oxide (NO) from nitrogen dioxide (NO₂) emissions as these relate to ozone formation from diesel engine after-treatment technology.

Replace *Findings* with *Recommendations for Further Study*, and note that these are based on the entirety of *Committee Findings* outlined earlier in the document. The text should read as follows:

The District should continue to improve model performance, particularly in the following areas:

- *More accurately represent emissions from heavy duty diesel vehicles,*
- *Characterize NO and NO₂ emission fractions from diesel vehicles and hydrocarbon speciation more generally.*

Apply the improved model to understand:

- *Inter- and intra-basin transport issues,*
- *Emission reductions scenarios, with particular emphasis on the impact of the relative reduction of VOC and NOx emissions, and*
- *Impacts of various urbanization growth patterns.*

Many of the “low hanging fruit” have been picked. The District needs to place continuing pressure on CARB and EPA to pass stringent regulations over sources outside the District’s jurisdiction.

Mr. Hanna moved the Committee adopt the text as revised for forwarding to the full Council on September 8; seconded by Mr. Altshuler; carried unanimously.

5. Committee Member Comments/Other Business. There were none.

6. Time and Place of Next Meeting. 9:30 a.m., Tuesday, October 12, 2004, 939 Ellis Street, San Francisco, CA 94109.

7. Adjournment. The meeting adjourned at 4:15 p.m.

James N. Corazza
Deputy Clerk of the Boards

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Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council Public Health Committee Meeting
1:30 p.m., Wednesday, August 9, 2004

1. **Call to Order – Roll Call.** 1:38 p.m. Quorum Present: Linda Weiner, Chairperson; Diane Bailey, Elinor Blake, Victor Torreano. Absent: Sanjiv Bhandari, Jeffrey Bramlett, Brian Zamora.
2. **Public Comment Period.** There were no public comments.
3. **Approval of Minutes of May 12, 2004.** Mr. Torreano moved approval of the minutes; seconded by Ms. Bailey: carried.
4. **Indoor Air Quality.** Chairperson Weiner reviewed the two documents in the agenda packet entitled, *Report to the California Legislature: Indoor Air Pollution in California, California Air Resources Board (CARB), June 2004*, and *Indoor Air Technical & Policy Issues: An Update for the BAAQMD Advisory Council, by Jed Waldman, Ph.D., Chief, Indoor Air Quality Section, California Department of Health Services, May 12, 2004*. She stated that at this time there is no comprehensive and coordinated strategy on indoor air quality. Regulatory jurisdiction is spread throughout a variety of agencies.

Ms. Blake distributed her August 9, 2004 memorandum to the Committee entitled *Rough draft idea for a recommendation to the Council concerning the District's role in indoor air quality*. She observed that the CARB report was issued at the request of the Legislature and attests to the widespread health effects associated with indoor air pollution. Noting that the Air District has a rare opportunity to explore its potential role in this field, she offered two suggestions:

- 1) that the District convene a workshop or series of workshops in which researchers, organizations and regulatory agencies associated with indoor air quality could discuss the District's role. The workshops could be convened within the Bay Area with either a broad statewide invitation or as Bay Area-only but with representation from appropriate State agencies.. Key features of the discourse would include identifying current agency roles in indoor air quality and recommendations for future research, education and regulation.
- 2) That the District annually sponsor a graduate student scholarship for research in indoor air quality. This would provide both visibility and a connection with local academic institutions.

Mr. Torreano observed that building materials are a major source of the indoor air pollutants, particularly formaldehyde in pressboard and insulation. In commissioning buildings, contractors heat the interior to treat caulking and epoxies. However, any deficiencies in the

commissioning process require review. If the proper installation and maintenance of building materials could be incorporated into building codes, this would reduce indoor air pollution. Ms. Bailey suggested that the Committee review the study of the toxicity of formaldehyde in the recent rulemaking by the Environmental Protection Agency (EPA) on wood products. Peter Hess, Deputy APCO, added that formaldehyde is used in plywood resin as a material binder, and is also found in the resin in caulking materials. The latter are regulated as consumer products by CARB, which is currently evaluating an air toxic control measure in this field.

Mr. Hess referred to an advertisement in today's San Francisco Chronicle for an indoor ozone generator, which asserts that ozone has a good effect on health. Chairperson Weiner suggested that the District consider issuing a letter to the editor correcting that misconception. Mr. Torreano observed that the CARB report on indoor air quality addresses this type of equipment.

Mr. Hess noted that the District regulates volatile organic compounds (VOCs) in paints and has adopted stringent rules in this field. The District's perchlorethylene (perc) rule, which is based on toxic air contaminant regulation, far exceeds the stringency of the CARB rule for perc dry cleaners. The District's authority to regulate perc derives from the California Health & Safety Code and is based on ambient air quality management. There may be indoor air quality benefits that derive from the rule but these cannot form the basis for its adoption.

Ms. Bailey opined that any District action on indoor air quality should not supplant its concern with or work on ambient air quality. However, other fields of indoor exposure, such as inside vehicles, and in occupational settings like an excavator or a highway tollbooth, should also be considered. Jack Broadbent, Executive Officer/APCO stated that the South Coast AQMD conducted an in-vehicle study in the 1980's that showed elevated levels of most of the compounds for which the agency monitored. The National Resources Defense Council has also conducted a study on air in buses. Chairperson Weiner noted that the American Lung Association is presently studying indoor air quality in the context of school buses.

Ms. Hess suggested that the Council consider working with staff in contacting and working with planning departments in Bay Area cities and counties. Council member Hayes has previously participated with District executive management in speaking to local governments about urban heat island mitigation. Such Council/staff outreach could be extended to the effort to influence building codes. The Council, in concert with staff, would develop the presentation, which would concern guidelines, recommendations and identify key issues. Ms. Blake suggested that local government staff be included on the invitation list to the above-mentioned workshops. Noting that the District was successful years ago in getting local entities to adopt air quality elements in their general plans, she suggested that a comparable general plan amendment for building codes could be studied. This may be a topic for next year's Advisory Council Retreat.

Mr. Torreano noted that the apprentice sheet metal workers in his union are trained in various ventilation processes. It would be ideal for a union training department to incorporate indoor air quality certification processes into an apprenticeship program. However, at the present time there are neither guidelines nor certification processes associated with the installation or maintenance of industrial air duct cleaners for hospitals and municipalities. Mr. Broadbent observed that there are building heating and ventilation guidelines on airflow, but these do not address indoor air quality concentrations. That is why the field of indoor air quality is ripe for review with regard to potential courses of regulatory action.

Jack Colburn, Senior Policy Advisor, stated that EPA has produced a packet on the “Tools for Schools” program, one of which will be provided to each Committee member. It provides a number of key sources of information. Guidance can be gleaned from the packet materials and reviewed for possible application to other indoor situations. A considerable amount of information on indoor air quality is generally available but there is no clearinghouse for it. Molds in buildings and homes are the major indoor air issue in the state. Ms. Blake noted that the State Health Department has active programs on mold in indoor building environments.

Mr. Broadbent suggested that at an off-site location next year the Board and Council hold a Retreat on indoor air quality. Prior to the Retreat, the Council could adopt recommendations for the Board to consider. In addition to the state of the science on indoor air quality, the discussion could include establishing standards for smaller sources comparable to the regulation of back-up diesel generators that are found in many buildings. It could involve a component in which owners of back-up generators, as well as building maintenance staff, could also be educated about ventilation systems and integrate ambient and indoor air quality management awareness.

Mr. Broadbent added that in the Bayview Hunters Point area, where there are higher incidences of asthma, there is no program to deal with indoor air quality. Mr. Hess suggested that perhaps indoor air could be included in the forthcoming public meetings on the Ozone Control Strategy. Mr. Broadbent added that the Community Air Risk Evaluation (CARE) program would be addressed in these community meetings. Ms. Roggenkamp indicated that the meetings would begin in late September and continue through mid-October.

Chairperson Weiner opined that the review of indoor air quality in Bayview Hunters Point, as it relates to the incidence of asthma, should not supplant the District’s careful review of permitting an electrical generating power plant since the emissions may also influence the incidence of asthma in that area. Ms. Bailey added that care must be taken in framing the categories of discourse on indoor air quality and asthma.

Ms. Blake inquired if there could be an immediate augmentation of programs in which the District encourages the development of educational and advisory materials for distribution in residential neighborhoods. Mr. Colburn replied that checklists for home inspections are available and there are scientifically proven building materials that meet both environmental and energy conservation ratings.

Mr. Broadbent added that such material may not be widely distributed, and this issue could be discussed in the workshop. Chairperson Weiner stated that from the perspective of social marketing, tailoring the principles of the meeting and the materials to be presented to a given audience is always to be recommended.

Ms. Blake suggested the following additions to the proposed recommendation, based on today’s discussion:

- In No. 3, prior to “we recommend that” add “to augment—but in no case to supplant—the District’s activities to improve ambient air quality” and before “in which” in the first line add “within the next year”.

- In the first bullet under No. 3, add a second sentence to read: “Included among the issues to be addressed should be their building materials and their appropriate installation and maintenance.”
- After “or workshops” in No. 3 in the first line add “or summit.”
- Delete “state policy” from the last line in No. 3 and insert “and programs” in its place.

Mr. Torreano moved adoption of the text as amended for forwarding on September 8 to the Council; seconded by Ms. Bailey; carried unanimously. The Committee directed that the members absent from today’s meeting receive the revised document via e-mail and be invited to separately submit comments to the Clerk for inclusion in the Council meeting agenda packet.

In reply to Chairperson Weiner, Emily Hopkins, Public Information Officer, stated that to date 30 cities and 6 counties have adopted the District’s wood smoke ordinance. There are approximately 100 incorporated cities and nine counties in the District’s jurisdiction, two counties of which are partial counties with some jurisdiction from another air district.

- 5. Committee Member Comments/Other Business.** Ms. Blake inquired as to the District’s view of a proposal by the Governor’s California Performance Review commission to eliminate CARB. Mr. Broadbent stated the District would respond with a letter of support for CARB. Ms. Blake suggested the Council might consider endorsing such an action by the District.
- 6. Time and Place of Next Meeting.** Monday, October 25, 2004, 1:30 p.m. 939 Ellis Street, San Francisco, California 94109. The September 8, 2004 Committee meeting is canceled.
- 7. Adjournment.** 3:01 p.m.

James N. Corazza
Deputy Clerk of the Boards

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Bay Area Air Quality Management District
939 Ellis Street
San Francisco, California 94109

DRAFT MINUTES

Advisory Council Executive Committee Meeting
9:00 a.m., Wednesday, September 8, 2004

1. **Call to Order – Roll Call.** 9:15 a.m. Quorum Present: Elinor Blake, Chairperson, Louise Bedsworth, Ph.D., Harold Brazil, Kraig Kurucz, Linda Weiner, Brian Zamora. Absent: William Hanna.
2. **Public Comment Period.** There were none.
3. **Approval of Minutes of July 14, 2004.** Dr. Bedsworth requested that “the” be added after “June 15” and “is” changed to “was” in line one of paragraph two under Item No. 4 on page one. Mr. Kurucz moved approval of the minutes as corrected; seconded by Mr. Zamora; carried unanimously.
4. **Standing Committee Chair Reports on Committee Work Plans.** Dr. Bedsworth stated that on August 4, 2004 the Technical Committee adopted recommendations on the District’s Ozone Control Strategy (OCS) that will be presented today for consideration by the full Council. The Committee will meet jointly with the Air Quality Planning Committee (AQPC) on October 12, 2004 to receive and discuss presentations from two guest speakers on the subject of alternative fuels. This topic will likely be continued to the subsequent meeting of the Committee.

Mr. Brazil stated that on August 3, 2004 the AQPC also adopted recommendations on the OCS, which endorsed the staff’s choice of control measures. Once the Strategy is adopted, the Committee also recommends that the Council evaluate how to implement Transportation Control Measure (TCM) No. 15 on land-use planning. The AQPC and Technical Committees will jointly review the issue of alternative fuels during the remainder of 2004.

In discussion, the Executive Committee agreed to combine the recommendations from both Committees, per direction from the Committee Chairs in concert with the Deputy Clerk. Mr. Hess added that the recommendations will be presented to the Board Executive Committee on September 29, 2004 by Council Chairperson Blake.

Ms. Weiner reported that the Public Health Committee met on August 9, 2004 and reviewed a California Air Resources Board (CARB) report on indoor air quality as well as a presentation on this topic to the Council on May 12, 2004 by Jed Waldman of the California Department of Health Services. The Committee adopted recommendations on the District’s possible role in this field that will be considered by the full Council today. The Committee will next meet on October 25, 2004 and will discuss optical fence line monitoring at refineries, which had been reviewed last year. The Committee intends to complete its recommendations on whether this technology should be applied to other refineries and chemical plants in the Bay Area.

- 5. Discussion of a Year-End Review of Council Activities.** Chairperson Blake indicated that the Council's work plan has largely been completed. The longer-term issues are now being taken up by the Committees due to completion of most of the first priority review topics. She suggested that Council member input be solicited prior to the end of this year on whether the District is getting the Council's best expertise, or if better use could be made of it. Mr. Zamora suggested that at their next meetings the Committee Chairs inquire of their members how best to solicit this type of information, whether verbally or in a paper survey. Mr. Altshuler suggested asking the same questions of the Board of Directors and District staff. Chairperson Blake stated that the form of the input from staff would be determined by the Executive Officer/APCO.

Chairperson Blake suggested that Council member development and education materials could also accompany the survey on Council activities, and might address such topics as guidance on the Brown Act, how to get items on a Council Regular or Committee agenda, how to run a successful meeting, the Council's standard format for reports out of Committee and the Council, the annual flow of work, committee chairpersonship and Council officership rotation.

Chairperson Blake noted that recently a Council member had inquired if members of the Advisory Council could prepare an op-ed article for a local newspaper on a piece of legislation, or submit a letter to the legislature as an Advisory Council member. District Counsel Brian Bunger replied in the negative, explaining that because the Council advises the Board of Directors and the staff, it has no official voice with which to speak in a public capacity on behalf of the agency. However, the Board could request that the Council or one of its members compose such correspondence. In the context of an interview, a Council member may provide biographical identification as being affiliated with the Advisory Council, but that is descriptive rather than signing off on a letter in the capacity of an agency representative or officer.

Ms. Weiner added that a Council member's primary task is to represent a given professional constituency from a category identified by the appointing legislation. Chairperson Blake directed the Committee Chairs to inform their members, as necessary. Mr. Kurucz noted that the AQPC had determined earlier this year that if the Board wanted the Council to weigh in on a piece of legislation it could request that the Advisory Council review it and provide comment. Chairperson Blake replied that this observation dovetails with her earlier question as to whether the Board and staff take full advantage of the Council's expertise.

- 6. Committee Member Comments/Other Business.** In reply to Dr. Bedsworth's question on whether the District will support the greenhouse gas regulations proposed by CARB, Mr. Hess indicated that, while that matter is still under discussion, the District supports the work of the Sonoma County Climate Exchange. However, if the Council wants the District to support the regulations, it could recommend it to the Board Executive Committee on September 29, 2004.
- 7. Time and Place of Next Meeting.** 9:00 a.m., Wednesday, November 10, 2004, 939 Ellis Street, San Francisco, California 94109.
- 8. Adjournment.** 9:51 a.m.

James N. Corazza
Deputy Clerk of the Boards

Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

DRAFT MINUTES

Advisory Council Regular Meeting
10:00 a.m., Wednesday, September 8, 2004

CALL TO ORDER 10:09 a.m.

Opening Comments Chairperson Blake.

Roll Call **Present:** Elinor Blake, Chairperson, Sam Altshuler, P.E., Diane Bailey, Robert Bornstein, Ph.D., Louise Bedsworth, Ph.D., Jeffrey Bramlett, Harold Brazil, Irvin Dawid, Fred Glueck, Stan Hayes, John Holtzclaw, Ph.D., Kraig Kurucz, Kevin Shanahan, Victor Torreano, Linda Weiner, Brian Zamora.
Absent: Sanjiv Bhandari, Emily Drennen, William Hanna, Norman A. Lopera, Jr.,

PUBLIC COMMENT PERIOD There were no public comments.

CONSENT CALENDAR

1. Approval of Minutes of July 14, 2004. Ms. Bailey requested that she be listed as absent on page one under “Roll Call.” Mr. Altshuler stated that he would like to work with the Deputy Clerk to reword the text of the reference to a “little smog factory” under Item No. 1, and he moved approval of the minutes as amended; seconded by Mr. Bramlett; carried, with Mr. Hayes abstaining.

COMMITTEE REPORTS

2. Report of the Air Quality Planning Committee (AQPC) Meeting of August 3, 2004. Mr. Kurucz presented the AQPC’s recommendations on the District’s Ozone Control Strategy (OCS). These affirm the staff’s selection of appropriate control measures, urge the inclusion of a future study measure on alternative fuels, and suggest that the Council explore implementation of Transportation Control Measure (TCM) No. 15 regarding growth and transit planning. The Committee also encourages Council members to attend the District’s community meetings on the OCS. At the next Committee meeting, two guest speakers will provide presentations on alternate fuels. Chairperson Blake stated that, per direction from the Council’s Executive Committee this morning, the recommendations from the AQPC and Technical Committee on the OCS will be merged into one document. Mr. Hayes urged inserting the word “that” prior to Item Nos. 1 and 2. Dr. Bornstein added that a comma should be inserted prior to “which” in paragraph one. Chairperson Blake called for a voice vote on the AQPC recommendations and they carried unanimously by acclamation, as amended.

3. Report of the Technical Committee Meeting of August 4, 2004. Dr. Bedsworth stated that the Technical Committee also reviewed the OCS and made several findings and recommendations.

Dr. Bedsworth suggested changing “increase” to “increased” in the next to last line on page one. Mr. Hayes proposed that in the second sentence of the first bullet under “Control Measures” that the second sentence be replaced with “The relative magnitudes and health implications of these increases and decreases are not yet clear and await the completion of our modeling efforts.” Mr. Dawid suggested referencing TCM No. 15 at the end of the third bullet under No. 2 of “Recommendations for Further Study.” Chairperson Blake suggested adding “including but not limited to TCM 15”. Mr. Altshuler suggested adding a fourth bullet under No. 2 to read “impacts of alternative fuel use.” Mr. Kendall suggested adding the phrase “for VOC and NOx” under the first bullet of “Control Measures,” after “control measures” in line one. Dr. Bornstein noted that there are a few typos he would identify for correction to the Deputy Clerk. Chairperson Blake called for a vote on the amended recommendations, and they carried unanimously by acclamation.

- 4. Report of the Public Health Committee Meeting of August 9, 2004.** Ms. Weiner reported that the Committee reviewed the issue of the District’s role in indoor air quality (IAQ) and adopted recommendations urging that multi-agency public meetings on IAQ be held in the Bay Area and that the District sponsor a scholarship for graduate student study of the issues. The Committee reviewed a recent California Air Resources Board (CARB) draft IAQ report as well as minutes of Dr. Jed Waldman’s presentation on IAQ to the Advisory Council on May 12, 2004. Jack Broadbent, Executive Officer/APCO, noted that while the District lacks authority to establish ambient IAQ standards, there is an exchange between indoor and outdoor air that requires further exploration from a regulatory viewpoint. There was brief discussion on the extent to which people may receive their highest exposure to ozone in indoor environments, or whether, due to surface area, indoor concentrations of ozone might ultimately prove to be comparatively low.

Chairperson Blake called for public comment and the following individuals came forward:

Jim Hussey
Marina Mechanical
San Leandro, California

noted that “unintended pressurization” in buildings due to leaking duct work, failed cabling seals and cavities in walls can impact IAQ through pressure differential between interior and exterior of the building. He presented the November 2002 magazine of the *American Society of Heating, Refrigerating and Air-Conditioning Engineers* featuring several topical articles on IAQ, and offered to share the research and experience of his industry on IAQ with the Advisory Council.

Patrick Pico
Sheetmetal Workers Local 104
San Jose, California

stated that his union sponsored courses for 6,000 journeypersons that install, service and maintain HVAC systems. He presented the “Final Report of the National Center for Energy Management and Building Technologies Task 2: Under Floor Air Distribution (UFAD) – Results of Seminars,” dated January 2004 – July 2004, and offered to work further with the Council regarding IAQ.

Mr. Dawid inquired about regulatory authority over indoor air quality in apartment complexes. Dr. Bornstein noted that in some buildings at San Jose State University that house science departments, the effluent from chemistry laboratory hoods returned into the building through the intake vents.

Staff complaints were filed with the Occupational Safety & Health Administration. Mr. Shanahan observed that emergency standby generators are often installed next to air intake systems. The Council members noted that these remarks illustrate the importance of reviewing the IAQ issue and the various types of exchange between indoor and outdoor air. Mr. Kurucz observed that it is unclear how the District should intercede in this field if it is primarily an architectural issue. Chairperson Blake replied that this is why it would be helpful and informative to hold workshops with other agencies and explore the various jurisdictional issues, as the Committee recommends.

Chairperson Blake called for a vote on the recommendation and it carried unanimously by acclamation.

OTHER BUSINESS

5. Report of the Executive Officer/APCO. Mr. Broadbent:

- encouraged the Council members to participate in the community outreach meetings on the District's OCS. The Community Air Risk Evaluation (CARE) program, which the Council has reviewed, will also be presented in these community meetings.
- stated that a rule on wastewater operations at refineries will be presented to the Board on September 15, 2004 in a public hearing.
- reported that today is a Spare the Air day, the fourth of this season and the second day on which free commute will be offered as part of the Spare the Air program. Data from a survey of over 500 people revealed that 9% avoided a trip and 7% curtailed other pollution generating activities due to the Spare the Air program. The free bus service in the Livermore/Amador Valley indicated an 8% increase in ridership. There is a segment of the Bay Area population that, if provided with transportation choices, will take actions to help the environment.

In reply to Council member questions, Mr. Broadbent stated:

- The recently signed state budget entails a 10% rather than 25% reduction in property tax revenues to the District. The District should be able to manage this shortfall with salary savings from unfilled positions and adjustments in operating program allocations. The District will face the same 10% loss in property tax revenues next fiscal year.
- Free transit on Spare the Air days is provided throughout the Bay Area despite the fact that some areas within the region have greater ozone problems than others. The air from Millbrae during the morning commute transports intra-basin to form ozone in the East Bay; therefore, transportation behavior throughout the region is interconnected. This approach features an episodic type of control measure that is tailored toward the summer ozone season with stagnant wind patterns. The cost-effectiveness criteria may differ from other control measures with year-round applications, and its success depends on the cooperation of Bay Area citizens.

6. Resolution Concerning Aspects of the California Performance Review (CPR) Commission of Relevance to Air Quality. Mr. Dawid presented his "Draft Resolution by the Advisory Council of the Bay Area Air Quality Management District to Retain Independence of California Air Resources Board" dated August 19, 2004. The CPR proposes to replace CARB with a department under the Cal-Environmental Protection Agency (Cal-EPA) Department of Environment. Chairperson Blake noted that this resolution, if passed, will be presented to the Board's Legislative Committee.

Mr. Hayes suggested that the memorandum reflect that the position of support for CARB should be from the District's governing board. Chairperson Blake indicated that in the resolution the "Therefore" clause could be changed to reflect "recommends that the Board of Directors..." In discussion, many Council members proffered support for retaining CARB's independence. Messrs. Altshuler and Glueck suggested that the Council instead resolve to support whatever staff position is adopted, rather than adopt a separate resolution on this issue. Mr. Hayes proposed the following language to replace the final paragraph of the text: "And whereas, the Advisory Council resolves that we believe it to be in the best interest of the air districts and all the people in the Bay Area and throughout California that the CARB remain an independent board. Therefore, we recommend that the Board consider adopting a motion of support for the continuation of the CARB as an independent board."

Dr. Bedsworth noted that in some of the small bullet points there are some minor factual matters that required fixing, such as the fact that the Smog Check program is not solely under CARB's jurisdiction but is under the Bureau of Automotive Repair (BAR). Chairperson Blake stated these minor edits/changes can be made without changing the substantive thrust of the recommendation.

Dr. Bornstein stated that he favors the resolution but feels insufficient time has been given to discuss all the issues. He moved that it be tabled; seconded by Mr. Altshuler. The motion failed 6-9 by a show of hands with the following vote:

Ayes: Altshuler, Bramlett, Bornstein, Glueck, Kurucz, Shanahan

Noes: Bailey, Blake, Bedsworth, Brazil, Dawid, Holtzclaw, Torreano, Weiner, Zamora

In reply to a question by Dr. Bornstein, Chairperson Blake clarified that the Board's Legislative Committee is expected to meet on this issue in October; hence, an interest in the Council addressing the issue at today's meeting.

Chairperson Blake called for a vote on the resolution, as amended by Mr. Hayes, and it carried 13-2 by a show of hands:

Ayes: Altshuler, Bailey, Blake, Bornstein, Bedsworth, Brazil, Dawid, Holtzclaw, Kurucz, Shanahan, Torreano, Weiner, Zamora.

Noes: Bramlett, Glueck.

Chairperson Blake called attention to another aspect of the CPR recommendations and presented her draft memorandum of September 8 entitled "Resolution by the Advisory Council to support streamlined permitting that incorporates public participation and protection of the public's health." Noting that she would not call for a Council vote on the text due to time constraints, for the Council's information she said the text states that the Council takes note of the CPR section entitled "RES14 Streamline Permitting to Reduce Petroleum Infrastructure Bottlenecks" and reaffirms the Council's support for an efficient permitting process that incorporates meaningful public participation and public health protection as a principal goal. She added that she would append another clause to read "and recommends engagement by the District in any policy-making activities that may occur based on this section."

Ms. Bailey responded that she opposes RES14 because it would curtail public comment in permitting and sacrifice public health and the environment for less expensive gasoline. Allowing oil

company consultants to give advice to permit reviewers is also problematic. Chairperson Blake suggested the Council wait to receive a report on the discussion of this matter by the Board Legislative Committee before pursuing this further.

- 7. Air & Waste Management Association (A&WMA) Annual Exhibition & Meeting.** Mr. Kurucz noted that a study was introduced concerning the Forest Park area of Portland where organic pollutants were speciated and traced from downtown back to their source. The study was well-done and reasonably priced at \$40,000 over a two-month period. This type of approach might be considered in the Council's approach to the issue of optical fence line monitoring at refineries. Also, the issue of replacing airport construction and diesel equipment was evaluated, along with a study of the impacts of reducing the speed limit for trucks from 65 to 55mph. Mr. Kurucz suggested the papers are worth studying and could provide guidance on Council work plan topics. Mr. Altshuler added that the keynote address was on sustainability, while last year it concerned the sequestration of CO₂. The scope of focus of A&WMA appears to be expanding.
- 8. Report of Advisory Council Chair.** Chairperson Blake stated that the Executive Committee noted that the Council has completed almost all of its work plan topics adopted for this year and is now beginning to review the long-term issues. The next Committee meetings may contain an item in which Council members may reflect on how to improve offering the Council's expertise to the staff and Board. Staff will be asked for comments on this as well. She inquired of Council members as to their attendance at the upcoming OCS community meetings. The following was indicated:

 - Richmond – September 23: Blake, Brazil
 - Petaluma – September 22: Hanna
 - Richmond – September 9: Blake, Brazil
 - San Jose – September 29: Dawid, Zamora, Kurucz, Torreano
 - Oakland – September 30: Kurucz, Bedsworth, Bailey, Bedsworth, Brazil
 - San Francisco – October 13: Weiner, Bramlett, Holtzclaw, Shanahan, Hayes
 - Livermore – October 14: Altshuler, Glueck
 - Martinez – October 21: Altshuler, Blake, Brazil
- 9. Council Member Comments/Other Business.** Ms. Bailey noted that on October 14, 2004 CARB will sponsor a study session on its air quality/land-use handbook. On September 9, 2004 the National Resources Defense Council will issue a report on cleaning up pollution at port facilities.
- 10. Time and Place of Next Meeting.** 10:00 a.m., Wednesday, November 10, 2004, 939 Ellis Street, San Francisco, CA 94109.
- 11. Adjournment.** The meeting was adjourned at 12:25 p.m.

James N. Corazza
Deputy Clerk of the Boards

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Haggerty and
Members of the Executive Committee

From: Jean Roggenkamp
Director of Planning and Research

Date: September 22, 2004

Re: Status Report on 2004 Ozone Strategy

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

The Air District, in consultation with the Metropolitan Transportation Commission (MTC) and the Association for Bay Area Governments, is preparing the Bay Area 2004 Ozone Strategy. The Ozone Strategy will address national and state air quality planning requirements. The Ozone Strategy will include a redesignation request and a maintenance plan for the national 1-hour ozone standard and a triennial revision to the Bay Area strategy to attain the California 1-hour ozone standard and to reduce transport to downwind regions. The strategy will also address other related air quality issues, including community outreach, fine particulate matter and global warming. This report provides an update regarding the control strategy, public outreach, modeling, and the future schedule.

DISCUSSION

Control Strategy. The Ozone Strategy must include all feasible measures to reduce ozone precursors as part of the triennial plan update for attaining the California ozone standard and reducing downwind transport. Staff has evaluated a wide range of potential control measures for inclusion in the Ozone Strategy. Ideas for potential measures have been gathered from community meetings, the Ozone Working Group, consultation with ARB and other air districts, the District Advisory Council, and District staff.

Staff evaluated nearly 400 stationary, area, and mobile source control measure suggestions. Based on the evaluations, staff is proposing the inclusion of 15 stationary and area source control measures in the Ozone Strategy. These measures would strengthen the Air District's existing regulations on industrial and commercial operations. Staff is also proposing the inclusion of 4 mobile source measures to reduce emissions from on-road and off-road mobile sources through incentives, model ordinances and educational efforts. These programs will complement the mobile source regulations implemented at the state and federal levels. In addition, Air District staff has worked with MTC staff to update and enhance 19 transportation control measures that address transit, ridesharing, traffic management, bicycling, transportation pricing, smart growth and educational programs.

AGENDA NO 6

In addition to the control measures, the Ozone Strategy will include further study measures. These are measures for which insufficient information was available during the development of the control strategy to allow the agency to commit to them as control measures. For instance, the technology may not be sufficiently demonstrated or the emissions data needs further investigation. Staff identified 21 further study measures to be evaluated. If the results of the study indicate that the measure is viable, it will be considered for implementation through a regulation or program. The further study measures address stationary, area, mobile and transportation emission sources.

Pursuant to the California Environmental Quality Act, we are preparing an Environmental Impact Report (EIR) to analyze potential secondary adverse environmental impacts of the control measures. A consulting firm, Environmental Audit, is assisting with preparing the EIR. A draft and final EIR will be circulated for public review along with the draft and final Ozone Strategy.

Public Outreach. The Air District's outreach for the 2004 Ozone Strategy extends well beyond the outreach conducted for previous planning processes. Outreach includes Ozone Working Group meetings, community meetings, consultation with other air districts, and Modeling Advisory Committee meetings. Information about the planning process and materials for each of the OWG, MAC and community meetings is posted on the Air District website. In addition, staff has presented updates on the planning process to the Board of Directors Executive Committee, the Regional Agency Coordinating Committee, and the District Advisory Council.

The Ozone Working Group provides regular opportunities for public involvement in the ozone planning process. At OWG meetings, staff present updates on various aspects of the planning process and solicit discussion and public comment. Any interested party is welcome to participate in the OWG. Participants include representatives of business, industry, environmental and community groups, transportation advocates, local agencies, neighboring air districts, U. S. EPA, and the Air Resources Board. Eight OWG meetings have been conducted to date, with the next meeting scheduled for September 28, 2004.

The District conducted six community meetings in September 2003 focused on the Ozone Strategy. This first round of community meetings provided background information about the District, ozone, and the planning process, and solicited suggestions for potential ozone control measures.

A second round of community meetings is scheduled for September and October 2004. At these meetings staff will present the draft control measures and further study measures proposed for the 2004 Ozone Strategy and solicit feedback on the draft measures. These meetings will also include a presentation on the District's new Community Air Risk Evaluation (CARE) program. The local public health officers have been invited to participate in the community meetings.

In addition to soliciting input on potential control measures via the Ozone Working Group and community meetings, Air District staff has also consulted with ARB and downwind air districts. These consultations have included discussions through the California Air Pollution Control Officers Association on all feasible measures, rule comparison discussions with ARB

AGENDA NO 6

and northern California air districts, and discussions with staff at the Sacramento Metropolitan Air Quality Management District on their specific control measure suggestions. Staff has also scheduled a consultation meeting with downwind air districts to discuss our draft control measures on October 7, 2004.

The Modeling Advisory Committee (MAC) reviews the work of the District's modeling consultants and District staff on a regular basis. The MAC includes representatives of EPA, ARB, downwind air districts, MTC, industry, environmental and community groups, and transportation advocates. To date, staff has held 19 MAC meetings.

Ozone Modeling. Air District staff and modeling consultants (ENVIRON International Corporation) are developing a state-of-the-science photochemical ozone modeling system as a tool for ozone planning for the Bay Area and for analyzing pollutant transport to downwind air basins. Significant progress has been made in developing modeling results for recent periods of high ozone, specifically a July 1999 episode and a July/August 2000 episode. Model performance for the Bay Area for these historic episodes meets performance criteria established by the Environmental Protection Agency. However, model performance in downwind regions (e.g. San Joaquin Valley) needs improvement. ENVIRON has prepared a draft report on the work completed to date. The Modeling Advisory Committee is currently reviewing the draft report.

Schedule. The next step in the planning process for the Ozone Strategy is to receive feedback on the draft control measures and further study measures through the upcoming community meetings and Ozone Working Group meeting. After considering the feedback, staff will complete the Draft 2004 Ozone Strategy and release it for public review and comment, most likely in early November 2004, along with the Draft EIR. At the conclusion of the public comment period, staff will revise the documents and prepare a proposed final Ozone Strategy and EIR. The Board of Directors will hold a public hearing and consider adoption of the Ozone Strategy in early 2005. MTC and ABAG will also consider adoption of the redesignation request and maintenance plan.

BUDGET CONSIDERATION/FINANCIAL IMPACT

None. Funding for development of the Ozone Strategy is included in the adopted budget.

Respectfully submitted,

Jean Roggenkamp
Director of Planning and Research

FORWARDED: _____

Reviewed by: Peter Hess

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Haggerty and
Members of the Executive Committee

From: Jean Roggenkamp
Director of Planning and Research

Date: September 22, 2004

Re: Hydrogen Fuel Cell Meeting

RECOMMENDED ACTIONS

1. Receive and file staff summary of a July 9, 2004 meeting hosted by the Air District on Bay Area activities regarding hydrogen fuel cells.
2. Endorse Air District participation in the Hydrogen Highway Blueprint planning process.
3. Recommend Board approval of the Air District participating in the California Stationary Fuel Cell Collaborative.
4. Recommend Board approval of the Air District joining the California Fuel Cell Partnership and allocation of \$90,000 from Program 104 to cover dues for one year.
5. Recommend Board approval of the allocation of \$38,400 in Diesel Back-up Generator Mitigation funds for the demonstration of a hydrogen fuel cell light duty vehicle.

DISCUSSION

Non-renewable fuels, such as gasoline, diesel and natural gas, power most motor vehicles. Electricity produced in California is generated from burning natural gas, oil and coal. Advances in cleaner fuel formulations, engine design and emission control systems have led to a significant reduction in harmful emissions from motor vehicles and power stations. In recent years increased attention has been focused on the use of hydrogen in internal combustion engines or, more significantly, in fuel cells to bring emissions to zero or near-zero levels.

While hydrogen represents an abundant opportunity for clean power, there are significant hurdles to using it. For example, hydrogen fuel has to be extracted from other substances – water, oil, sugar, and natural gas – which can be energy intensive and inefficient. Private industry, the federal government and the State of California are engaging in research programs, demonstration efforts and long-range planning exercises to make clean hydrogen fuel a substantial part of the energy future. Many of these efforts are taking place in California, with significant activities in the Bay Area.

Bay Area universities and federal research labs are working with the Department of Energy to developing efficient and economical methods for extracting and storing hydrogen. Bay Area transit districts are demonstrating fuel cell buses, with vehicle demonstrations developing in San Francisco, Alameda, San Mateo and Santa Clara Counties. The California Air Resources Board (CARB) is heading up a statewide planning effort to develop the Hydrogen Highways Blueprint. This blueprint is designed to give substance to Governor Schwarzenegger's call for large numbers of hydrogen fueling stations along California's highways.

To begin understanding how hydrogen fuel may help to further air quality improvement goals in the Bay Area, the Air District organized a half-day meeting with local agencies, university members and representatives from private industry and non-profit organizations to explore how the Air District can both assist and take advantage of hydrogen fuel. The meeting was held on July 9, 2004 at MetroCenter in Oakland. The meeting attracted 50 participants. Presentations were provided on current efforts around hydrogen highways and hydrogen powered stationary fuel cells, as well as briefings on the current demonstrations being undertaken by the transit districts and fuel providers. A copy of the agenda is attached.

Participants in the meeting called for a strong effort by the Air District to support the development of hydrogen power for motor vehicles and production of electricity. However, there are extensive unknowns related to hydrogen production and its ancillary environmental impacts, fuel cell costs and efficiencies, as well as safety issues that need to be better understood before staff could advance recommendations to the Board on what and how to support hydrogen fuel technologies.

To gain better insights into the development of hydrogen fuel cells, staff is recommending four initial actions for the Air District: 1) participate in the development of the Hydrogen Highway Blueprint, 2) participate in the California Stationary Fuel Cell Collaborative, 3) join the California Fuel Cell Partnership and 4) become a host fleet for a fuel cell vehicle demonstration being developed by DaimlerChrysler.

Development of the Hydrogen Highway Blueprint began in June 2004. The current schedule calls for the final plan to be submitted to the Governor and Legislature in January 2005. CARB has established a number of topic teams to facilitate public participation in the development of the Blueprint. Air District staff will continue to participate in appropriate topic teams, monitor the overall development of the Blueprint and report back to the Mobile Source Committee, as appropriate.

The California Stationary Fuel Cell Collaborative consists of public agencies and private firms working to commercialize the use of fuel cells for power generation. The Collaborative acts as a clearinghouse for current research and field demonstrations of stationary fuel cells in California. Staffing for the Collaborative is provided by CARB, with funding from the Department of Energy, the California Energy Commission (CEC) and the California Public Utilities Commission.

To promote the development of fuel cells for motor vehicles, CARB and the CEC started the California Fuel Cell Partnership in January 1999. There are currently 31 member organizations representing government agencies, non-profits, and oil companies and automobile manufacturers. Annual dues are \$90,000. The Partnership is playing a key organizing role in the implementation of the Governor's Hydrogen Highway Blueprint.

DaimlerChrysler has been developing fuel cell technology for more than a decade. Early efforts were focused in Europe. However, growing interests in fuel cells in California, along with CARB's Low-Emission Vehicle regulations has prompted DaimlerChrysler to field a fleet of 15 to 20 fuel cell vehicles in California. DaimlerChrysler has requested that the Air District deploy one of the vehicles in its fleet. The vehicle will be used in a variety of capacities as part of the Air District's fleet. DaimlerChrysler has requested \$38,400 from the Air District to help offset maintenance, transportation and insurance costs. The vehicle will be refueled at a mobile fueling station in San Francisco; the Air District supports this station with funding from the Transportation Fund for Clean Air.

BUDGET CONSIDERATION / FINANCIAL IMPACT

Funding for the initial year's membership dues for the California Fuel Cell Partnership will come from Program 104. Funding for the Daimler Chrysler fuel cell vehicle demonstration will come from the Diesel Back-up Generator Mitigation funds.

Respectfully submitted,

Jean Roggenkamp
Director of Planning and Research

FORWARDED: _____

Prepared by: Michael Murphy
Reviewed by: Pete Hess



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

Bay Area Hydrogen Network

Joseph P. Bort MetroCenter
Auditorium

101 Eighth Street
Oakland, CA 94166

1:00 pm – 4:00 pm
July 9, 2004

Agenda

Welcome and Opening Remarks

Jack Broadbent, *Executive Officer/APCO BAAQMD*

Supervisor Scott Haggerty, *Chair, BAAQMD*

Supervisor Mark DeSaulnier, *Board Member, ARB/BAAQMD*

Overview: Hydrogen, Fuel Cells and the Bay Area

Robert Hayden, *Acting Communications Manager California Fuel Cell Partnership*

California Hydrogen Highway Network

Shannon Baxter, *H2 Highway program manager for CalEPA Secretary Terry Tamminen*

Statewide Public/Private Programs

California Fuel Cell Partnership

Catherine Dunwoody, *Exec. Director (or representative)*

California Stationary Fuel Cell Collaborative

Ron Friesen, *Exec. Director*

Bay Area Hydrogen & Fuel Cell Projects

AC Transit and Chevron Texaco

Jaimie Levin, *Manager, Marketing and Communications AC Transit*

Santa Clara VTA & Air Products

Art Douwes, *Senior Engineer, Santa Clara VTA*

PG&E & Ztek

Brian Stokes, *Clean Vehicle Program, PG&E*

San Francisco Dept. of Environment

Jared Blumenfeld, *Director*

Others

Open

Next Steps – Open Discussion

Where do we go from here?

Moderators: Jack Broadbent and Supervisor DeSaulnier

Conclusion

Jack Broadbent

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

To: Chairperson Haggerty and
Members of the Executive Committee

From: Jean Roggenkamp
Director of Planning and Research

Date: September 22, 2004

Re: Goods Movement Conference

RECOMMENDED ACTION

Receive and file staff summary of upcoming conference on goods movement in Northern California.

DISCUSSION

The Metropolitan Transportation Commission (MTC) will soon complete a study of the movement of freight throughout the Bay Area. This effort, which has been supported by the Air District and other partners, will culminate in a regional strategy to make freight movements more efficient and timely. This goods movement strategy will become an element of the Transportation 2030 Plan.

Physical and technological improvements that result in the efficient movement of goods and materials, coupled with the continued lowering of emissions from the wide range of engines used in moving goods, could contribute significantly to achieving clean air in the Bay Area.

To highlight the forthcoming MTC study, and to launch a regional discussion on successful strategies to improve goods movement and air quality, the Air District has partnered with MTC, the Association of Bay Area Governments and the Environmental Protection Agency, Region IX in co-hosting a two-day conference and exposition on strategies to move freight faster while reducing air pollution. The conference – *Faster Freight, Cleaner Air* – is scheduled for December 8 and 9, 2004 at the Marriot Hotel in Oakland.

Gladstein, Neandross and Associates (GNA) has been retained to handle the conference logistics. The conference steering committee consists of staff from the co-host agencies, as well as the Economic Development Alliance for Business. The steering committee is currently working with GNA to set the conference agenda and sign-up public and private conference sponsors.

BUDGET CONSIDERATION / FINANCIAL IMPACT

Air District is providing \$25,000 in funding for the conference from Program 104.

Respectfully submitted,

Jean Roggenkamp
Director of Planning and Research

FORWARDED: _____

Prepared by: Michael Murphy
Reviewed by: Jean Roggenkamp

BAY AREA AIR QUALITY MANAGEMENT DISTRICT
Inter-Office Memorandum

AGENDA NO. 9

To: Chairperson Haggerty and Members of the Executive Committee
From: Jeff McKay, Director of Information Services
Date: September 22, 2004
Re: Replacement of DataBank and IRIS

RECOMMENDED ACTION:

Receive and file.

BACKGROUND

Unique software applications, DataBank and IRIS, are used to carry out District business processes. Examples of these processes include Planning, Permitting, Inspection and Emission Inventory.

The Air District first implemented the DataBank application in 1977. This application pre-dates database technology, and stores information in flat files. In 2001 the District implemented the IRIS application, partially relieving Databank of some function. The migration to modern technology must continue for the District to fulfill its mission.

DISCUSSION

The migration will make maximum use of common existing business applications. These applications will be integrated with any custom elements required to enable the District's unique business needs. Build and Development will begin only after substantial verification of Design. Identification of Design in the first calendar quarter of 2005 will enable final targets for resource requirements. Although these targets are still to be determined, the migration should be substantially complete in calendar year 2007.

This presentation will focus on ongoing survey work that provides information on current best practices. The Executive Committee will receive regular updates on this process.

BUDGET CONSIDERATION/FINANCIAL IMPACT

Initial funds for this work are included in the approved 04/05 budget.

Respectfully submitted,

Jeff McKay, Director
Information Services Division

FORWARDED: _____