

Bay Area Air Quality Management District
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APPROVED MINUTES

Summary of Board of Directors
Stationary Source Committee Meeting
9:30 a.m., Thursday, March 8, 2007

1. **Call to Order – Roll Call:** Vice Chair Michael Shimansky called the meeting to order at 9:38 a.m.

Present: Chairperson Scott Haggerty (9:41 a.m.), Jerry Hill, Jake McGoldrick (10:00 a.m.), Nate Miley, Pamela Torliatt (9:45 a.m.), Michael Shimansky, Gayle B. Uilkema.

Absent: John Gioia, John Silva.

Also Present: Mark Ross, Board Chair.

2. **Public Comment Period:** Greg Karras, Communities for a Better Environment (CBE), Oakland, CA 94612, requested that CBE be allotted 20 minutes on the agenda for a future Board of Directors' meeting in April 2007 to make a presentation on issues regarding the flare rule.
3. **Approval of Minutes of November 28, 2006:** Director Hill moved approval of the minutes; seconded by Director Uilkema; carried unanimously without objection.

Chairperson Scott Haggerty arrived at 9:41 a.m.

4. **Proposed New Regulation 6, Rule 2: Commercial Cooking Equipment:** *Staff reported on proposed Regulation 6, Rule 2: Commercial Cooking Equipment. A second public workshop on the proposal was held on March 6, 2007.*

Henry Hilken, Director of Planning, Rules and Research, introduced the item and stated that staff has made considerable progress on the development of the regulatory language for this new rule, a number of public workshops have been held, and it is anticipated that a public hearing to consider the rule will be scheduled before the Board of Directors in May, 2007.

Director Pamela Torliatt arrived at 9:45 a.m.

Virginia Lau, Senior Air Quality Specialist, presented an update and provided background information on the development of the new rule. The focus of the regulation is on two types of cooking equipment: chain-driven charbroilers and under-fired charbroilers. Three California air districts have rules to control emissions from chain-driven (conveyorized) charbroilers. Four public workshops on the regulation were held and an extensive public outreach effort was undertaken. Ms. Lau provided information on the type of equipment that would be regulated and information on Bay Area restaurant emissions and anticipated emission reductions. The proposal

was presented at four public workshops on November 14-15, 2006, and Ms. Lau provided a summary of the public comments.

Ms. Lau reported on the requirements of the draft regulation for the different types of new and existing cooking equipment. Registration for all the three types of equipment will be required to be completed on the District's web site. The registration fee for each type of equipment will be \$475 and there will be an annual fee of \$135.

Ms. Lau noted that the rationale for the current proposed rule allows the restaurants adequate time to install the controls; focuses emission reduction efforts on high production restaurants and reduces energy usage; it does not impact small businesses; and allows the use of alternative cooking appliances, minimizes recordkeeping and inspection time and disruptions to kitchen operations; and encourages development of emerging technology.

The latest proposal of the new rule was presented at a public workshop held on March 6, 2007; overall, there is a strong support for the proposal. Staff will evaluate all comments received after the public comment period closes on March 9, 2007. The next step in the rule development process includes a fee workshop scheduled for March 9, 2007 and comments are due by March 23, 2007. Staff will evaluate the public comments after the fee workshop and modify the proposal, as appropriate; prepare a Staff report, Economic Analysis, and CEQA Analysis. It is anticipated that the public hearing to consider the proposed new rule will be scheduled for May, 2007.

In response to questions from Director Torliatt, Ms. Lau stated that after the November, 2006 public workshops, staff received 20 calls from restaurant owners and a majority of them supported the proposal as long as the technology was available and the cost was reasonable. Attendees at the public workshops were mostly hood manufacturers, industry representatives from the Food Service Technology Center and the California Restaurant Association, two restaurant owners and representatives from the Pacific Gas & Electric (PG&E) Company. There was a smaller turnout at the March 6, 2007 public workshop since staff had recently attended the ASHRAE Conference and discussed the proposal with the majority of hood manufacturers who had concurred with the proposal. The majority of the restaurants that are being targeted are franchises; small and independent businesses will not be impacted. To date, no comments on the cost of the registration fees have been received by staff.

In response to a question from Director Hill regarding quantifying the increased energy usage, Ms. Lau explained that the high efficiency filters were included in the original proposal; these caused a pressure drop and in order to overcome the pressure drop a larger exhaust is required to be installed. The new proposal offsets the energy cost by installing a listed hood which uses a lesser ventilation rate in comparison to an unlisted hood because it is certified by the underwriters' laboratory. This will result in cost savings to the owner by 10-30% lower energy costs.

In response to a question from Director Haggerty regarding the cost of the equipment, Ms. Lau stated that the initial capital cost for the catalytic oxidizer for the chain-driven charbroiler is approximately \$4,000; the initial capital cost for the under-fired charbroiler is \$35,000 and \$2,000 for the operating and maintenance costs.

Committee Action: The Committee accepted the report.

5. **Proposed Amendments to Regulation 9, Rule 8: Nitrogen Oxides and Carbon Monoxide from Stationary Internal Combustion Engines:** *Staff reported on proposed amendments to Regulation 9, Rule 8: Nitrogen Oxides and Carbon Monoxide from Stationary Internal Combustion Engines. A public workshop on the proposal was held on March 1, 2007.*

Mr. Hilken introduced the item and stated that staff has been working on amendments to Regulation 9, Rule 8 which would reduce emissions from stationary internal combustion (IC) engines. The matter was presented to the Committee at its last meeting and since then staff has made considerable progress. A public workshop was held on March 1, 2007 and it is anticipated that a public hearing will be scheduled before the Board of Directors shortly.

Victor Douglas, Senior Air Quality Engineer, presented the report and provided background information on IC engines; reviewed the current rule and some of the regulatory activities that have occurred since its 1993 adoption; a breakdown of the types of engines in the Bay Area, including prime and emergency standby and noted that the majority of IC engines are diesel engines. Mr. Douglas also introduced staff's proposal for the regulatory amendments to the rule; a summary of the public comments; and the next steps for the rule development process. The emissions inventory shows that NOx emissions from diesel, natural gas, landfill gas, and digester gas total 20.9 tons per day. This includes emergency standby diesel engines.

In response to questions from Committee members during the November 28, 2006 Committee meeting, Mr. Douglas explained the comparisons between diesel and natural gas-fueled engines.

Director McGoldrick arrived at 10:00 a.m.

Continuing, Mr. Douglas explained the NOx emissions associated with stationary IC engines. Mr. Douglas indicated that, of the 20.8 ton per day of estimated emissions, diesel engines are responsible for the largest fraction with emergency standby being a significant portion of that share. Also, natural gas, landfill gas, and digester gas engines are significant contributors of NOx emissions. However, prime engines are responsible for the bulk of the NOx emissions. The 700+ prime engines are responsible for approximately 14.8 tons per day or an average of 45 pounds per day per engine. The 4,700+ emergency standby engines account for approximately 4.6 tons per day or 2 pounds per day per engine.

Proposed regulatory concepts were discussed and include lower NOx limits that would expand the number of engines covered under the regulation from 200 to over 700. In addition, smaller engines that are currently exempt would be affected. Diesel and other liquid-fueled engines would be included. The proposal also compliments the Air Resources Board (ARB)'s Stationary Diesel Engine Toxic Control Measure (ATCM) by ensuring that all diesel engines that comply with the control measure must also comply with the more stringent NOx standards of the Environmental Protection Agency (EPA) Off-Road Standards, and the compliance dates coincide with that of the ARB Diesel Engine ATCM so that engine operators could comply with both the ATCM and the District's proposed Regulation 9-8.

Mr. Douglas explained the proposed emission limits for compression-ignited engines, including diesel above 50 bhp, and for gaseous engines above 50 bhp. These emissions limits would affect over 400 prime engines and 300 prime engines respectively. Several other Air Districts have also implemented similar emissions limits.

The next steps include a review of the public comments which are due on March 9, 2007, development of the final proposal, preparation of CEQA and economic analyses, and the public hearing to consider the proposed amendments to the regulation will be conducted in the second quarter of 2007.

In response to questions from the Committee, Mr. Douglas and other members of the staff responded as follows:

- a) The number of engines from municipalities and local governmental agencies are approximately 10% of the engines. (Torliatt)
- b) The proposed regulation would expand the number of engines covered under the regulation from 200 to over 700. This would not be an additional workload for staff to handle since these engines are currently being regulated by the District. (Ross)
- c) Director Haggerty suggested that the testing of engines should not be done on Spare the Air days. In addition, Director Haggerty inquired if the San Joaquin Valley Air Pollution Control District (SJVAPCD) is ahead of the Bay Area Air Quality Management District (BAAQMD) in implementing regulations. Jack Broadbent, Executive Officer/Air Pollution Control Officer, explained that in certain source categories (particularly in the NOx and PM areas) this District is behind; however, overall, it is on par with the SJVAPCD. Mr. Hilken also explained that even though several districts already have rules for the chain-driven charbroilers, this Air District would be the first in the State to have a rule for the under-fired charbroilers.

Committee Action: The Committee received and filed the report.

6. **Comprehensive Strategy for Wood Smoke Emission Reduction:** *Staff presented the District's comprehensive strategy for wood smoke emission reduction from residential wood burning and discussed the proposed regulatory control measures and proposed timeline for rule development.*

Kelly Wee, Director of Compliance and Enforcement, presented the report. The presentation included information on the following topics:

- Ambient Particulate Matter (PM_{2.5}) levels in the Bay Area
- Strategies at other Air Districts
- Wood Smoke Control Strategy
 - Outreach
 - Incentives
 - Control Measures
- Rule Development Timeline

Mr. Wee explained the ambient PM levels in the Bay Area. Because this winter had some periods with very cold and dry weather conditions, there were 30 days in excess of the PM_{2.5} standard. Based on a seven-year average, there would typically be 21 days of exceedance.

In preparation for developing a strategy, the District staff researched 15 different air programs in California, Nevada, and Washington State to gather the best control measures to include in the District's program. Both the Puget Sound Clean Air Agency and the San Joaquin Valley Air Pollution Control District proved to be good models. Mr. Wee discussed the regulations implemented by the various Air Districts.

The District will increase the wood smoke outreach to the public and focus on the health impacts of wood smoke in multiple languages to best reach the individuals who are more likely to burn wood. In addition, the District will present the outreach plan to the Public Outreach Committee to receive their input. The District's message will focus on wood smoke and not wood burning. At San Joaquin, their public message evolved from "Don't light tonight" to "Check before you burn". Puget Sound's message is focused on regulating wood smoke. Mr. Wee explained that the effectiveness of the District's outreach message is very critical to continue the wintertime random telephone survey to measure the outreach program and gather information on the public's burning habits. Mr. Wee discussed wood smoke emissions from common fireplaces, uncertified woodstoves, EPA-certified stoves, pellet stoves and a gas furnace, and described the highlights of the change out program and incentives.

Mr. Wee stated that the most important control measure is the curtailment program that will be phased in over several years to allow the public to get used to the idea that burning is prohibited by law on Spare the Air Nights. The gradual phase in over several years is critical to this control measure and for public acceptance. In addition, there will be an opacity standard on chimneys during the mandatory curtailments, or in response to complaints from the public. The District will propose a control measure to require only EPA-certified wood stoves, pellet stoves or natural gas fireplaces to be installed in any new construction. Wood burning fireplaces will not be allowed in new construction. The District will continue to support the successful model ordinance although many portions will no longer be necessary after the District implements a wood smoke rule. Many of the control measures will be incorporated into a District regulation later this year.

Mr. Wee outlined the rule development process and timeline. Staff will be presenting regular status reports and key program decisions to both this Committee and the Public Outreach Committee. Several, regional public workshops will be conducted, followed by a public hearing during the fourth quarter of this year.

In response to a question from Director Torliatt regarding comparing greenhouse gas (GHG) emissions between wood smoke and natural gas fireplaces, Mr. Broadbent suggested that staff come back to the Committee with estimates that point out the relative changes in GHG emission reductions. This matter will be presented again to this Committee for the rule development portion of it, and to the Public Outreach Committee for the outreach component.

Director Torliatt requested that staff present to the Public Outreach Committee the other Air Districts' advertising strategies, outreach messages, etc. to get an idea of how they are handling the outreach component. Director Ross suggested that it would be helpful to point out the cost efficiencies to the public for converting to a gas fireplace.

In response to a question from Director Miley, Mr. Wee explained Stage II of the mandatory curtailment. Mr. Wee also explained the process staff follows when the District currently

receives wood smoke complaints.

Director McGoldrick referred to the film “Mary Poppins” for the outreach and education component of wood smoke strategies, and suggested that staff look into contacting Disney for assistance in using a celebrity such as Dick Van Dyke in the District’s advertising strategies, to get people’s attention.

Director Haggerty suggested that to make it easier for the public to upgrade their wood stoves or fireplaces, the District should develop a pool of plumbers and other contractors for the public to use readily, and provide a discount to the people for using a plumber or contractor from that pool in addition to a voucher for \$100-\$300; and establish a relationship with specialty retailers such as Home Depot. Director Torliatt suggested that the staff contact the plumbers’ union to possibly obtain information on plumbers and contractors from them. Director Haggerty also suggested that the District develop a goal to change out 50% of fireplaces during the next two years.

Director Uilkema commented on backyard burning pits that are built into the patio and suggested that the District address this feature in its wood smoke rule since it is a problem, especially in Contra Costa County.

Speakers: The following individuals spoke on this agenda item:

Jenny Bard
American Lung Association of California
Santa Rosa, CA 95404

Ken Mandelbaum
American Lung Association and
Clean Air Coalition
Santa Rosa, CA 95404

Director Haggerty requested that the issue of second hand smoke be placed on the agenda for discussion at a future meeting date.

Committee Action: The Committee received and filed the report.

7. **Committee Member Comments/Other Business:** There were none.
8. **Time and Place of Next Meeting:** At the Call of the Chair
9. **Adjournment:** The meeting adjourned at 11:00 a.m.

/s/ Neel Advani
Neel Advani
Deputy Clerk of the Boards