SOUTH CENTRAL COAST BASINWIDE AIR POLLUTION CONTROL COUNCIL

Technical Advisory Committee

Larry R. Allen, APCO
San Luis Obispo County APCD

David Van Mullem, APCO Santa Barbara County APCD

Michael Villegas, APCO Ventura County APCD Council Members

Karen Bright, Chair

Council Member, City of Grover Beach

San Luis Obispo County

Roger Aceves, Vice Chair

Council Member, City of Goleta

Santa Barbara County

Mike Morgan

Council Member, City of Camarillo

Ventura County

MEETING MINUTES February 22, 2012

Present

Council Members:

Roger Aceves, Santa Barbara County

Karen Bright, San Luis Obispo County

Staff:

Mike Villegas, Ventura County

David Van Mullem, Santa Barbara County Larry Allen, San Luis Obispo County

1. Approval of Minutes of October 19, 2011

Aceves/Bright Minutes approved.

2. Election of Officers

Aceves/Bright moved and seconded to amend the agenda to add the Election of Officers. It was voted to elect Mike Morgan as Chair and Karen Bright as Vice-Chair for 2012.

3. Public Comment Period

None

4. SLOAPCD Fugitive Dust Rule for the Oceano Dunes Passed - Allen

After a long period of study and air monitoring, SLOAPCD staff recommended to their Board adoption of a fugitive dust rule for the Oceano Dunes area. In November the rule was adopted by the Board. The rule action was supported with a 220-page staff report. The Board heard three hours of public comment regarding the rule before adopting it. The rule is now being implemented and has compliance milestones that require:

- · Comparative monitoring in riding and non-riding areas
- Developing and implementing a PM reduction plan to be phased in
- Ensuring that strategies are sufficient to reduce particulates to meet the performance standard defined in the rule by 2015

Two groups are suing the District over this rule.

4. Biosolids Drying and Renewable Power Generation - Villegas

Ventura County produces approximately 8,000 tons of biosolids monthly. Due to the passage of Measure E in Kern County, Ventura County can no longer exports biosolids to Kern County. As a local solution to our local problem, a project to process biosolids from several waste water plants in Ventura County was undertaken. The plan includes stopping the flaring of landfill gas and

treating the county's biosolids. The facility at Toland Road Landfill now uses landfill gas to run 9 micro turbines to provide electricity to the landfill and the biosolids facility, and to provide electricity to the grid. Processing the biosolids within the County will reduce a significant amount of VMT for heavy-duty diesel trucks when compared to the practice of exporting. Challenges for the project included:

- Using landfill gas as a fuel for the drying unit
- Processing biosolids from several wastewater treatment plants
- The unit is larger than many other units
- Problems meeting our ROC BACT limit, resulting in a Stipulated Conditional Abatement Order
 - o Operator must upgrade emission controls by 10/31/12 or cease operations
- Odor issues with nearby ranchers and homeowners:
 - Most literature states "dry biosolids" do not have an odor
 - We have found that the dry product has a strong and unique odor
 - Possible odor issues using the dried material as alternative daily cover

We are working with the sanitation district to come up with a system to reduce odors from the trailer loading area, including covering the trailers and routing this air to carbon beds.

5. Update on Marine Shipping - Van Mullem

The State (CARB) Fuel Rule targets Marine Shipping emissions by prohibiting bunker fuel and setting a diesel oil low-sulfur standard. The Rule requires ships to switch to the low-sulfur fuel upon entering the Santa Barbara Channel.

- The 2009 Rule set diesel oil sulfur content of 0.5%, reducing emission of diesel particulates, SO₂ and toxics
 - However, the cost of fuel switching incentivized ships to maneuver outside islands
 - In 2011, CARB amended the Rule to extend the area to 24 miles outside islands; in future, IMO and ECA rules will extend the area 200 miles out
- Historically, Channel transit increased until '08 recession. Further declines resulted from the Fuel Rule and Japan's Tsunami
 - o Due to the amended Rule, we now see a resurgence of ships in the Channel
 - As the economy improves, will transits exceed historical levels?
- The Fuel Rule has little impact on NOx levels; however, slowing transit speeds from 24 knots to 12 knots would reduce NOx emissions by up to 60%
- Coast Guard Study for Port Access Routing was initiated by Naval test range disruptions, recommended creating new traffic lanes outside the Islands and moved western lane, reducing the in/out-buffer from 2 to 1 mile (protects whales near shore)
- GHG issue: marine shipping is the 6th largest emitter of CO₂; a cap and trade system for international shipping would reduce GHG worldwide. Will explore opportunities with Maersk Lines soon.

6. SLOAPCD South County Community Monitoring Project – Allen

Concern: On high wind days we see high hourly concentrations of PM between 10:00 a.m. and 4:00 p.m. that can reach 200 – 700 micrograms/cubic meter. Have three permanent monitoring sites on Nipomo Mesa, but it's unclear what the PM levels are in neighboring areas, so are starting a comprehensive, short-term monitoring project on the Mesa to monitor for three months during the windy season. The District borrowed 23 samplers from a coalition of organizations, which are currently collocated to be calibrated. Will compare data collected with our permanent sites to determine which permanent site most closely matches each neighborhood monitor.

Benefit: ability to map the spatial extent and concentration gradient of the plume to allow more accurate air quality forecasts for the Mesa. This should also help State Parks in designing their

mitigation program and will also be used by local schools participating in the Air Quality Index flag program to know which flag to fly on a given day and whether or not changes to recess times or other actions need to be taken on high PM days.

7. Update on Port of Hueneme Shore-power Project - Villegas

Currently, refrigerated cargo vessels operate their own onboard auxiliary engines to power their cranes that offload produce.

- Diesel particulate within 400 yards of residences
- Use grid power to operate ship cranes and reduce both diesel PM and NOx
- Challenges: ship electrical systems vary and the terminal operator does not own the ships
- Total project cost: \$9M
- VCAPCD and the Port pressed for Prop 1B funding for the Port to be included in the funding for the LA trade Corridor; ARB has agreed to this and will provide half of the cost.
- In January, the Port Board approved an agreement with SCAQMD for \$4.5M in Prop 1B funds
- Port will be required to exceed the of ARB's Shore Power regulation.
 - o 2014 2016: 60% vs. 50% under regs
 - o 2017 2019: 80% vs. 70%
 - o 2020 end: 90% vs. 80%
- Project is on an accelerated schedule for completion 11/2013
- Emission reductions over ten years: 1,365 tons NOx and 23 tons of diesel PM

8. Greenhouse Gas Thresholds for CEQA – All

Allen: SLO has been working on GHG thresholds for a year. SB 97 requires calculation mitigation of GHG emissions impacts for any project subject to CEQA review. Every jurisdiction is faced with these requirements but have no way to define what is 'significant' without established thresholds.

- Some districts have moved ahead with thresholds for industrial-type stationarysources: 10,000 tons/year CO_{2e} is being used on an interim basis
- Only the Bay Area AQMD has adopted thresholds for Land Use Development projects
- ARB came out with an initial proposal; industry bashed this and ARB dropped it.
- SLO has done considerable research and decided to go with the Bay Area approach, which is based on a Gap analysis:
 - o Develop GHG inventory for all sources in county
 - Analyze control measures which AB 32 requires
 - o Calculate amount of reductions estimated locally for all sources from AB 32 measures compared to AB 32 reduction targets
 - Determine reductions needed from Land Use sector to fill in remaining gap
- District researched EIR history; determined a Bright-line numeric threshold of 1,150 tons would capture the amount of emissions between now and 2020 to fill gap and provide the "Fair Share" of GHG reductions from the land use sector (equates to about 55 projects subject to the threshold over eight years).
- Also recommending an efficiency thresholdfor larger mixed-use projects to allow significance to be determined by how well it is designed from a GHG per capita or per employee standpoint. The determination under CEQA will take sustainability factors into account (helping to solve the cumulative GHG problems as part of the AB 32 process).
- SLOAPCD has released draft threshold document for public review and hopes to take this to their Board in March.

Van Mullem: SB is following SLO closely and has met with VC to begin work.

SCCBAPCC Minutes February 22, 2012 Page 4 of 4

Villegas: VC supports the 10,000 ton stationary source thresholds; Western States Petroleum Association has lobbied for a higher level. The Association wants us to adopt the San Joaquin Best Practices. Bot VC and SB like San Joaquin's plan for the stationary side; makes sense for Districts to work closely with County Planning.

Allen notes that several districts have adopted the stationary source threshold, but Land-Use thresholds are more controversial. SCAQMD is trying to persuade developers that this would actually offer them some certainty.

Van Mullem reported that SBCAPCD is interested in local mitigation. Wants to spend time with stakeholders, give more value to local mitigation, rather than Chicago Exchange approach. Collateral benefits: energy-efficiency measures make a community sustainable. The idea is to establish a community board overseeing a pool of funding for sustainability projects using in-lieu fees from industry. Meeting social responsibility goals would increase community cohesiveness.

9. Other Business/Next Meeting Date

Next meeting date - June 20, 2012