

Agenda Date: May 18, 2017
Agenda Placement: Admin.
Estimated Time: N/A
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer

CONTACT: Sara Hunt, Executive Assistant/Board Clerk (961-8853)

SUBJECT: Minutes of the November 2016 South Central Coast BCC Meeting

RECOMMENDATION:

Receive and file the attached minutes from the November 9, 2016 meeting of the South Central Coast Basinwide Control Council (BCC).

DISCUSSION:

The Health and Safety Code (Section 40900) requires that each air basin, which is comprised of two or more air pollution control districts, establish a basinwide air pollution control council. This council is intended to promote coordination of air pollution control efforts throughout the air basin. The council receives reports on rule development and planning efforts, the anticipated effect of state and federal actions, and other issues of interest.

The South Central Coast BCC meets quarterly and consists of one Board Member, appointed by the Air Pollution Control Board, from each of the following Districts: San Luis Obispo County, Santa Barbara County and Ventura County. As you may recall, Janet Wolf was appointed by your Board to represent Santa Barbara County on this Council in 2016.

The attached minutes summarize the November 9, 2016 South Central Coast Basinwide Control Council meeting. We provide such minutes to your Board after their approval.

ATTACHMENT:

- November 9, 2016 BCC Meeting Minutes

SOUTH CENTRAL COAST BASINWIDE AIR POLLUTION CONTROL COUNCIL

Santa Barbara County APCD, 260 N. San Antonio Rd. Suite A, Santa Barbara, CA, 93110

TECHNICAL ADVISORY COMMITTEE

Michael Villegas, APCO
Ventura County APCD

Aeron Arlin Genet, APCO
Santa Barbara County APCD

Larry R. Allen, APCO
San Luis Obispo County APCD

COUNCIL MEMBERS

Mike Morgan
Councilmember, City of Camarillo
Ventura County

Janet Wolf
2nd District Supervisor
Santa Barbara County

Karen Bright, Chair
Councilmember, City of Grover Beach
San Luis Obispo County

MEETING MINUTES

November 9, 2016

Present

Council Members: Mike Morgan, Janet Wolf and Karen Bright.
Staff: Mike Villegas, Aeron Arlin Genet and Larry Allen.

Convened by Chair Bright at 10:12 a.m.

1. Approval of Minutes of July 20, 2016

A motion was made by Mike Morgan, seconded by Janet Wolf that the minutes be approved. The motion carried by the following vote:

Ayes: 3 - Morgan, Wolf, Bright.
Noes: 0 - None.
Abstain: 0 - None.
Absent: 0 - None.

2. Public Comment Period

There were no public comments.

3. Central Coast Climate Collaborative (Larry Allen)

With the growing impacts of climate change now occurring and being recognized throughout the nation, there is a focus on taking action to make our communities more resilient and adaptable to those effects. Such impacts range from increased and more severe heatwaves, the expanding range of diseases from mosquitos, where/how we can grow our food and more. Recognizing the interconnections, California has taken a number of actions to protect our economy, public health

and infrastructure at the local level through SB246, SB379 and AB1482. At the national level, FEMA is also working to promote the development and implementation of adaptation plans at every level (state, local and federal).

In an effort to network and coordinate resiliency and adaptation efforts regionally, Climate Collaboratives are being formed. There are currently 5 Climate Collaboratives operating in CA, and the central coast region is now in the process of creating a Collaborative with members in Ventura, Santa Barbara, San Luis Obispo, Monterey, Santa Cruz and San Benito counties. The mission statement, goals and initial project ideas are being evaluated by a small organizing committee with the hope to have a kick off membership drive in February or March 2017. Potential projects include addressing issues specific to the central coast, such as sea level rise, drought/water concerns and sustainable energy.

4. ARB's Oil and Gas Regulation (Mike Villegas)

Produced gas consists primarily of methane along with a smaller percentage of reactive organic compounds (ROCs). Local air districts have regulations in place to minimize leaks at oil field facilities in order to control these emissions, but they are mainly focused on ROC limits. Because of this, gas streams with low concentrations of ROC are exempt from those regulations.

Methane has at least 25 times the global warming potential of CO₂. To aid in climate change efforts, ARB and the U.S. EPA want to control methane from oil production. The proposed regulation is expected to be adopted in February 2017 and will give local districts the authority to regulate methane. It appears the regulation would cover flow-back from well stimulation and idle wells. Districts who elect to enforce the regulation will work together to create a uniform approach and will be signing an MOU with the state.

5. Santa Barbara County APCD New Source Review (NSR) Rule Changes (Aeron Arlin Genet)

In August, the District Board approved NSR rule updates. The NSR rules were originally adopted in 1976 and are an important tool in reaching attainment for state and federal criteria pollutants. The rules apply to stationary sources, both new and modifications to permits; they do not apply to mobile sources, consumer products or agriculture. Senate Bill (SB) 288 mandates that any change to any NSR program must demonstrate equal stringency as it was originally adopted; no backsliding is allowed.

NSR is a state and federal requirement which applies air quality impact analysis, and the state requires Best Available Control Technology (BACT) and offsets in the form of emission reduction credits (ERCs) for criteria pollutants. The challenge with ERCs is cost and availability. In 1998, ERC's were about \$5,000/ton and by 2014 had risen to \$125,000/ton. Many who obtained ERCs are not willing to sell them. A major aspect of the NSR rule update was to simplify the program as well as revise the Net Emission Increase (NEI) calculation and offset thresholds which trigger the need for ERCs. More sources are now being captured by the revisions and therefore more emissions are reduced. An environmental impact report (EIR) conducted for the proposed NSR changes showed there were no significant air quality impacts associated with the rule changes.

6. Status update on EPA/ARB Settlement Agreements with Volkswagen (Larry Allen)

U.S. District Judge Charles Breyer recently approved a partial Consent Decree agreed upon by VW, CARB, U.S. EPA and the U.S. Dept. of Justice for \$14.7 billion, the largest settlement in history involving an automaker. The decree resulted from ARB's discovery in September 2015 that between 2009 and 2015, VW sold approximately 500,000 2.0 L diesel passenger vehicles equipped with "defeat devices" designed to control emissions during certification and to illegally

turn off emissions controls during on-road driving, emitting up to 40 times more NOx than EPA and CA-required levels.

CA will receive about \$1.2 billion in total for the 71,000 +/- affected vehicles that were sold and are operating in the state. The money will go into two separate programs: The first will be funded over a three-year period for projects to replace older and dirtier heavy-duty diesel vehicles and equipment with cleaner vehicles and equipment (The Mitigation Trust). The second is a ZEV investment fund (The ZEV Investment Commitment), which will be invested over a 10-year period for ZEV projects including installation of a ZEV fueling infrastructure for both EV and hydrogen powered cars, brand-neutral consumer awareness campaigns, and car-sharing programs to increase access to zero-emission vehicles for all consumers in CA.

Consumers who purchased one of the affected vehicles have the option to sell it back to VW and received compensation or have it modified to meet regulations. Claims concerning 3.0-liter diesel vehicles, penalties and potential criminal liability issues will be addressed in a separate process.

7. Update on Proposed Puente Power Plant Project in Ventura County (Mike Villegas)

There is a proposal to replace two existing 215MW natural gas-fired turbines at a power plant at Mandalay Beach in Oxnard with a single 262MW gas turbine. The existing power plant is primarily operating as an inefficient peaker plant when renewable energy production drops. The City of Oxnard and some of the opponents want the power plant shutdown and removed. One concern with the project being on the beach is sea level rise. The District's main concern is that the plant comply with air quality rules at the local, state and federal level. This does not appear to be a problem since natural gas has inherently low emissions and the turbine will utilize Best Available Control Technology. The District therefore issued a Final Determination of Compliance which the Energy Commission will use to incorporate into their license should they approve the project.

8. APCD's Role in Emergency/Odor Response on H₂S Impacts from Ag or Marijuana Complaints (Aeron Arlin Genet)

A large percentage of greenhouses in Carpinteria, as well as a couple other areas in the county, are currently growing medical marijuana. During the recent growing season the district received multiple odor complaints resulting from the Carpinteria operations. The district is working with the City as well as County P&D to determine how to address the odor concerns because medical marijuana is considered an agriculture crop, and under Health & Safety code the district does not have authority to regulate the odors or nuisance reports stemming from agriculture crops. The CA Dept. of Food and Agriculture has created a Draft EIR on medical marijuana, and it includes topics such as enforceability, burning of crop residue and diesel fuel used. CAPCOA is reviewing and commenting on that Draft EIR and is hopeful it will provide guidance for local air districts, cities and counties.

9. Other Business/Confirm Next Meeting Date

No other business was discussed. The next meeting date will be determined after the 2017 BCC members have been selected by each District at their January meetings.

10. Adjourn

Meeting was adjourned at 11:45 a.m.