

Bay Area Air Quality Management District
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APPROVED MINUTES

Summary of Board of Directors
Stationary Source and Climate Impacts Committee Meeting
Monday, April 19, 2021

This meeting was conducted under procedures authorized by executive order N-29-20 issued by Governor Gavin Newsom. Members of the Committee participated by teleconference.

1. CALL TO ORDER – ROLL CALL

Stationary Source and Climate Impacts Committee (Committee) Co-Chairperson Karen Mitchoff called the meeting to order at 9:00 a.m.

Present: Committee Co-Chairpersons John Bauters and Karen Mitchoff; Vice Chairperson Teresa Barrett; and Directors Rich Constantine, John Gioia, Carole Groom, Erin Hannigan, David Haubert, Davina Hurt, Tyrone Jue, and Mark Ross.

Absent: None.

Also Present: None.

2. APPROVAL OF THE MINUTES OF MARCH 15, 2021

Public Comments

No requests received.

Committee Comments

None.

Committee Action

Director Groom made a motion, seconded by Director Gioia, to approve the Minutes of March 15, 2021; and the motion carried by the following vote of the Committee:

AYES: Barrett, Bauters, Constantine, Gioia, Groom, Hannigan, Haubert, Hurt, Jue, Mitchoff, Ross.
NOES: None.
ABSTAIN: None.
ABSENT: None.

3. COSTS AND FINANCING OPTIONS FOR BUILDING DECARBONIZATION IN THE BAY AREA

Greg Nudd, Deputy Air Pollution Control Officer of Policy, introduced Abby Young, Climate Protection Program Manager, who introduced two guest presentations regarding the topic of economic challenges to building decarbonization of existing buildings in the Bay Area.

Jeanne Clinton, former Energy Efficiency and Clean Energy Advisor to the California Public Utilities Commission and to two gubernatorial administrations, gave the presentation *Costs, Markets, and Funding Options in Accelerating the Bay Area's Building Electrification*, including: incremental costs to replace a gas furnace and water heater with an electric heat pump in a Bay Area single-family home; Bay Area cost to upgrade single-family space and water heating; emerging technologies may reduce costs and avoid need to upgrade electric panels; house characteristics and demographics and Bay Area residents - income and equity consideration; equity and health considerations; electrification income and cost burden considerations; closing the gap – a “value stack” of incentives, co-funding, and financing essential; ability of residents to self-finance the costs of low-oxides of nitrogen (NO_x) replacement equipment; possibilities to expand numbers of households financing low-NO_x appliances; existing co-funding helps cover most or all the incremental cost, especially for homes with air conditioning and for many low-income households; prospective co-funding and financing possibilities; and local government and market support can help.

Colin Bishopp, Executive Director of Property Assessed Clean Energy (PACE) Nation, presented on innovative financing approaches as potential solutions to these challenges. His slides included: total funding needed in Bay Area counties; funding sources and funding availability by income level; Sonoma County Energy Independence Program; Septic Rehabilitation Loan Program; costs of decommissioning natural gas infrastructure; and takeaways.

Public Comments

Public comments were given by Neha Bazaj; Leah Louis Prescott, Rocky Mountain Institute (RMI); Ann Harvey, Climate Health Now; Gary Latshaw; Ken strong, Marin Conservation League; Beckie Menten, East Bay Community Energy (EBCE); Jennifer West, StopWaste; Erika Reinhardt, San Francisco resident; Tom Kabat, Menlo Park resident; Shruti Gopinathan, Sunnyvale resident; Kevin Ma, Next Generation; Fregiz Surty, Cleantech Open; and Suzanne Emerson.

Committee Comments

The Committee and staff discussed the suggestion that the Air District establish itself as a regional leader in building decarbonization as California is on the verge major electrification technology advancements that make this feasible; economic and health inequalities in the current fossil fuel based system; the need to educate contractors on transitioning from fossil-based devices to electric devices; and the suggestion that the Air District creates a technology clearing house for decarbonization options that is user-friendly for the public.

Committee Action

None; receive and file.

4. RULE DEVELOPMENT CONCEPTS FOR BUILDING APPLIANCE REGULATION

Jennifer Elwell, Senior Air Quality Engineer, gave the staff presentation *Rule Development Concepts for Building Appliance Regulation*, including: outcome; outline; requested action; background – rules for update and 2019 emissions; initial rule development concepts; potential emission reductions; potential challenges; tentative timeline; and feedback requested/prompt.

Public Comments

Public comments were given by Allison Skidd, Rheem Manufacturing; Regina Hsu, Earth Justice; Billi Romain, City of Berkeley; Beckie Menten, EBCE; Denise Grab, RMI; Simone Chung, University of California at Los Angeles; Jennifer West, StopWaste; Reilly Nelson; University of California at Los Angeles; Daniel Tahara, San Francisco Climate Emergency Coalition; Mary Dateo; Katherine Da Silva Jain, Marin Interfaith Climate Action; Chris Forth, Johnson Controls; Tom Kabat, Menlo Park resident; Melissa Yu, Sierra Club; Bret Anderson, Carbon Free Palo Alto; Ken Strong, Marin Conservation League; Laura Feinstein, SPUR; Erika Reinhardt, San Francisco resident; Nicole Kemeny, 350 Silicon Valley; Sven Thesen, Palo Alto resident; Diane Bailey, Menlo Spark; Bruce Naegel, Sustainable Silicon Valley; Jed Holtzman, 350 Bay Area; Robert Whitehair, Sustainable San Mateo; Brianna Duarte, Acterra; Debbie Mytels, Palo Alto resident; Julia Stein, University of California at Los Angeles; Gail Price; and Dr. Robert Gould, SF Bay Physicians for Social Responsibility.

Committee Comments

The Committee and staff discussed the importance of differentiating between the creation of an emissions standard to reduce NO_x versus CO₂ and comparing fossil fuel costs and emissions with electrification; whether to adopt a zero NO_x emissions standard and the proposed timeline for adopting such a standard; the suggestion that Air District staff pursues legislation to allocate funds that would help low-income households transition from fossil fuels to electrification, and whether the American Jobs Plan could provide funding for that; the need to hear the community's concerns about their financial burdens regarding energy transitions; the need to streamline city building permitting practices; and the request that while the Air District prepares for its public workshop for Regulation 9-4 (Nitrogen Oxides from Fan Type Residential Central Furnaces) and Regulation 9-6 (Nitrogen Oxides from Natural Gas-Fired Boilers and Water Heaters), that the Air District also collaborates with the California Air Resources Board, regarding disproportionate health impacts and other inequities that residents of disadvantaged communities face, due to heightened exposure to unhealthy levels of indoor air quality.

Committee Action

None; receive and file.

5. SOURCE TEST 101

Mr. Nudd introduced Elaine Ko, Supervising Air Quality Engineer, who gave the staff presentation *Source Test 101*, including: outcome; requested action; meteorology and measurement; presentation outline; roles for source testing; source categories and number of tests; options for who conducts source testing; example method review – particulate matter methods; sampling; sample processing and analysis; public records requests for source test reports; how is source test data used; key projects; and research new technologies.

Public Comments

Public comments were given by Kevin Olson, Chevron; Jed Holtzman, 350 Bay Area; Todd Osterberg, Chevron; and Rhoda Fry, Cupertino resident.

Committee Comments

None.

Committee Action

None; receive and file.

6. PUBLIC COMMENT ON NON-AGENDA MATTERS

Public comments were given by Rhoda Fry, Cupertino resident.

7. COMMITTEE MEMBER COMMENTS

None.

8. TIME AND PLACE OF NEXT MEETING

Monday, May 17, 2021 at 9:00 a.m., via webcast pursuant to procedures authorized by Executive Order N-29-20 issued by Governor Gavin Newsom.

9. ADJOURNMENT

The meeting adjourned at 12:14 p.m.

/s/ Marcy Hiratzka
Marcy Hiratzka
Clerk of the Boards