

Bay Area Air Quality Management District
Alameda County Transportation Commission
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Advisory Council (Council) Special Meeting
Wednesday, February 3, 2016

APPROVED MINUTES

Note: An audio recording of the meeting is available on the website of the Bay Area Air Quality Management District at <http://www.baaqmd.gov/about-the-air-district/advisory-council/agendasreports>.

1. CALL TO ORDER

Advisory Council (Council) Chair Stan Hayes called the meeting to order at 10:00 a.m.

Roll Call:

Present: Council Chair Hayes, Council Vice Chair Kleinman, and Members Dr. Borenstein, Dr. Harley, Dr. Lipman, and Dr. Long

Absent: Member Ms. Doduc

Also Present: Cupertino Councilmember Rod Sinks, Member of the Board of Directors (Board)

Opening Comments: Chair Hayes welcomed the Council members and commended the new group for its work at the first Council meeting on December 3, 2015. He also welcomed Dr. Severin Borenstein, who gave a brief introduction of himself.

Chair Hayes announced that the December 3, 2015 minutes were included in the meeting packet for consideration of approval. However, as the approval of the December 3, 2015 minutes was not included on the agenda for consideration of approval, the minutes were not considered approved.

2. WELCOME

Jack Broadbent, Executive Officer/Air Pollution Control Officer (APCO), recognized the attendance of Cupertino Councilmember, Rod Sinks, who was appointed by the District's Chairman of the Board of Directors as an Ex-Officio Advisory Council member. Mr. Broadbent then gave a brief history of the development of the Council and discussed goals of the Air District.

3. PUBLIC COMMENT ON AGENDA MATTERS

No requests received.

4. ASSEMBLY BILL (AB) 32: CALIFORNIA GLOBAL WARMING SOLUTIONS ACT OF 2006 AND THE CAP-AND-TRADE PROGRAM

Mr. Broadbent introduced Richard Corey, Executive Officer of the California Air Resources Board (ARB), and thanked him for presenting the ARB's Cap and Trade program to the District's Advisory Council. Before beginning his presentation, Mr. Corey explained what the ARB does as an agency and how the Air District partners with the ARB. His presentation, *Air Resource Board's 2016 Priorities and Objectives*, included key challenges for ARB; 2030 and 2050 greenhouse (GHG) targets; overarching 2016 priorities; 2016 integrated planning; key ongoing efforts; and interaction between California's Cap and Trade program and local GHG measures.

Council Comments:

The Council and ARB staff discussed pre and post - 2020 emission trajectories regarding the constant million metric tons (MMT) reduction of California's annual GHG emissions; additional efforts that will accelerate reduction; vehicle (truck) turnover; ARB's climate change scoping plan update; the difficulty of attaining ARB's more aggressive, but desired, constant percentage reduction goal; clean power plan requirements; petroleum reduction targets as a component of the Clean Energy and Pollution Reduction Act of 2015; projected role of Cap and Trade post 2025; and projected ratio of GHG reductions derived from the Cap and Trade program.

Presentation continued:

Mr. Corey then introduced Jason Gray, Climate Change Market Monitoring Manager, ARB, who continued the presentation with slide 14, what is the Cap and Trade program; definitions, Cap and Trade program goals; who is covered by the program; distribution of allowances; program efficiencies; local GHG limits; refinery GHG emissions; opportunities for local action; criterial pollutant and air toxics; and additional information.

Council Comments continued:

The Council and staff discussed emission cap leakage prevention; ARB's allowance allocation for the electricity sector; Cap and Trade market fluctuations post 2020; dynamics between Cap and Trade and local caps; low carbon fuel standard; Cap and Trade program protocol for accidental emission releases; forecasted timeline of meeting 2020 target cap; Western Climate Initiative and Canadian partnerships; compliance of refineries; and GHG inventory breakdown by (transportation, refinery, and electricity) sector.

Mr. Broadbent and Chair Hayes thanked Mr. Corey and his staff for their presentation.

5. REVIEW OF REFINERY REGULATION

Mr. Broadbent introduced Science and Technology Officer, Jim Karas, who gave the staff presentation *Air District Refinery Rules*, including local districts’ role in climate change; refinery emission trends 1980-2015 and main causes of reductions; current “cap-like” requirements at refineries; criteria pollutants; no net increase; rate cap by rule; cap by condition; and air toxics program risk caps.

Council Comments:

The Council and staff discussed Shell refinery’s flexicoker elimination project; types of foreign crudes; reductions of condensable particulate matter (PM_{2.5}); community concern about Bay Area refineries’ potential product exportation; decrease of toxics; emission offsets; Office of Environmental Health Hazards Assessment’s (OEHHA) potency factors and processes; health risk implications associated with individual toxics; monitoring local natural gas storage facilities to prevent leakage accidents; and lessons learned from the Aliso Canyon gas leak in Porter Ranch.

The meeting was adjourned for lunch at 12:45 p.m. The meeting reconvened at 1:30 p.m.

6. COUNCIL DELIBERATION

Chair Hayes posed the question, “What is the efficacy of imposing numeric caps on Greenhouse Gas emissions from Bay Area refineries?” which was displayed as a slide prior to the ARB presentation.

The Council and staff discussed how GHG, toxics, and criteria pollutants each impose different health risks on the public at different rates and need to be addressed with individual rules and reduction programs; anticipated commentary from the refinery industry and environmental community; predictions of a Bay Area cap in the California cap and trade market; price fluctuations in the cap and trade market; the need for technological improvements in refineries; controlling emissions versus an absolute cap; incorporating top-down measurements in the regulatory regime to account for the fact that exposures to toxics may be different than what the inventory method has done; how Bay Area refineries’ best practices rate on a global scale; the decrease of flaring in Bay Area refineries as a result of Air District regulation; accuracy of District inventories; different responsibilities and charters of the state and Air District, and the possibility of a joint role in the future; regulation of methane emissions at refineries; optimizing total emissions; shift in demand for refinery products; the District’s role in creating policy versus enforcing policy; and scheduling upcoming Council meetings and presentations.

OTHER BUSINESS

7. PUBLIC COMMENT ON NON-AGENDA MATTERS

No requests received.

8. COUNCIL MEMBER COMMENTS / OTHER BUSINESS

None.

9. TIME AND PLACE OF NEXT MEETING

At the call of the Chair.

10. ADJOURNMENT

The meeting adjourned at 2:53 p.m.

/s/ Tom Flannigan
Tom Flannigan
Acting Clerk of the Boards