VENTURA COUNTY AIR POLLUTION CONTROL DISTRICT ADVISORY COMMITTEE MEETING September 24, 2019 MINUTES

Chair Sara Head convened the meeting at approximately 7:30 p.m.

I. <u>Director's Report</u>

Dr. Laki Tisopulos, Air Pollution Control Officer, introduced himself to the Advisory Committee sharing he came from South Coast Air Quality Management District where he worked for 31 years including experience with engineering, planning, monitoring technologies with two decades of his career in rule making and development. Dr. Tisopulos shared his excitement for his new role as APCO and is looking forward to working with the Advisory Committee moving forward.

Dr. Tisopulos presented a summary of the most recent Board meeting. The three current members of the VCAPCD Hearing Board were reappointed, leaving two vacancies for both Engineer and Medical Professional positions. The Board adopted two programs, in collaboration with the California Air Resource Board (CARB) to enforce their Refrigerant Management Program (RMP) which applies to commercial and industrial facilities. The second program adopted is also in collaboration with CARB to implement the Prescribed Burn Reporting and Monitoring Support Program. The Board approved continued development of the new permitting software, with the hope to have it be operational by the 1st Quarter of 2020. The Board approved funding proposals which replace old agricultural pumps with minimal emissions controls with units utilizing more advanced emissions controls, and the replacement of compressed natural gas (CNG) tanks for both Simi Valley Unified School District and Oxnard Union High School. October 2, 2019 has been designated "Clean Air Day" in Ventura County.

A committee member had a question about clarification on the timeline for District's tractor replacement programs. Mr. Ali Ghasemi stated that District is currently processing 2019 applications.

Dr. Tisopulos explained how our Board adopted the proposed budget for 2019 during the June Board meetings, and the Engineering Manager, Kerby Zozula, had retired recently as well. Dr. Tisopulos shared that Mr. Ghasemi was now acting manager for the Engineering Division in addition to his duties as Planning, Incentives and Rules Development Manager.

II. Roll Call

Present

Joan BurnsNick RichardJay BergerStephen FrankRonald FazzolareTomas Lucas

Kim Lim Randy Chapman
Donald Bird Andy Sobel
Edward Carloni Paul Meehan
Steve Colome Sara Head

Absent

Michael Hughes (Excused) Alice Sterling (Excused)

Hugh McTernan

Staff

Laki Tisopulos Ali Ghasemi Danny McQuillan Alan Ballard

PublicRepresentingJeff SmithCI Power

III. Minutes

Sara Head had a few corrections to the February 26, 2019 Meeting Minutes correcting the title given to Paul Meehan as "Vice Chair" instead of "Co-Chair" in multiple places. There were no further comments. Paul Meehan motioned to approve the February 26, 2019 Meeting Minutes which was seconded by Nick Richard. The motion was passed with 13 votes in favor, 0 against with Stephen Frank and Jay Berger abstaining.

IV. Committee Comment

There were no Committee comments.

V. Public Comment

Jeff Smith was present, representing CI Power. Mr. Smith commented he was just there to observe and had no further comment.

VII. Old Business

There was no Old Business.

VIII. New Business

Proposed Amendments to Rule 74.23 Stationary Gas Turbines

Mr. McQuillan provided an overview of the proposal to amend Rule 74.23 and a brief PowerPoint presentation. This proposal is to reduce NOx emission limits for turbines to 2.5 ppm and ammonia emissions from turbines equipped with SCR to 10 ppm. The proposal provides an alternative emission limit above 2.5 for 5 specific units which staff determined had a cost of compliance exceeding the District's threshold. The proposal also includes an alternative compliance option to produce equivalent emission reductions for one unit that is unable to reduce emissions by any amount due to unique circumstances.

There was discussion about the effective dates, which it was explained by staff that all AB 617 BARCT rule revisions will have to comply by January 1, 2024. There was discussion about what is considered the "affected community", to which staff explained was the greater Oxnard Area. There was discussion about the 3 turbines on a crude oil platform and whether they will ever be reactivated, and staff confirmed that the decommissioning process is irreversible and at the end of 8 years their permit will be suspended. There was a question about how the alternative emissions reductions would be handled, and staff explained that the funds provided to the district would be used to reduce emissions from projects in the affected community. There was a question about the timeframe for emission reductions funded by the alternative compliance option, staff explained that District will fund as much emission reductions and as quickly as possible, with the goal to have most of the funds spent by the compliance deadline of January 1, 2024. There was an additional question about whether the District had a legal obligation for the alternative compliance project funding, staff explained that the guidelines for ERCs will apply for these "future" ERCs being funded. There was discussion about the timeline for compliance of retrofits. A question was asked about whether Port of Hueneme projects might be eligible for funding from the alternative emission reduction fund, and staff confirmed they might. There was a question about the Port of Hueneme Locomotive repower potentially being funded by the District, staff explained that is a separate program in the District which is determining funding for.

There was concerns expressed that there was, unlike the emission reductions expected from units complying with lowered emission limits, no compliance date for emissions reductions by projects funded by the alternative emission compliance fund. Staff explained this option was provided to not exhaust all the ERCs in Ventura County, provide a way to further reduce emissions from sources that compliance was not cost-effective and is seen as comparable to retiring ERCs. It was further explained that it was in the best interest of the District, which is designated nonattainment, to fund projects as expeditiously as possible to meet state and national ozone standards.

It was asked of the District to define "community", and staff explained that the immediate benefit should be as close to the site of estimated emission reductions as possible, and any projects which reduce emissions will benefit the areas of our county which exceed ozone standards.

It was suggested that we host a workshop as soon as it is determined how much the District will receive, to result in a more rapid reductions in emissions from these alternative compliance projects.

There was comment that it would be more desirable to have a facility fund emission reduction onsite instead of paying an alternative compliance fee, to encourage business to stay and have a sense of ownership. It was explained by staff that emissions reduction from the facility is preferred, but the facility in questions has already heavily invested in emission reductions on facility equipment. Further emission reductions are not expected to be cost effective, and this option was the best alternative considered.

There was discussion about over regulating industry, forcing them out of state. There was a question about non-attainment for both state and federal ozone standards, which Dr. Laki explained that as science improves the standards tend to get more restrictive which is in juxtaposition with a simultaneous increase in population and cars on the roads. In order to be reducing emission the most advanced technology must be utilized always. There was discussion about spillover of poor air quality from both SCAQMD and SJVAPCD.

There was discussion about an EPA report which singles out Ventura County as failing to meet air quality obligations, which staff explained was a misleading claim. The effects of recent EPA claims wanting to limit state's ability to limit tailpipe emissions will have to go through the courts.

There was concern voiced about identifying and achieving emission reductions with the funds provided through the alternative compliance plan, and it has no required dates for milestones. Staff acknowledged this is a unique direction industry and VCAPCD has decided to proceed, and it will be a learning experience. Comment was made comparing the similarities to the AB 32 greenhouse gas program, where the state is utilizing money obtained by GHG offsets to fund projects in the state. There were no other comments by the committee or public regarding Rule 74.23.

Steve Colome motioned to recommend adoption to the Board for the proposed amendments to Rule 74.23, Stationary Gas Turbines which was seconded by Andy Sobel. The motion was passed unanimously.

VCAPCD Advisory Committee 9/24/2019 Page 5

IX. Adjournment

Having no further business, the chair adjourned the meeting at approximately 8:28 p.m.

Prepared by:

Danny McQuillan Air Pollution Control District Staff

Advisory Committee – Attendance & Voting Record

Date: September 24, 2019

	Attendance*	Approve February 26, 2019 Meeting Minutes as amended by Sara Head			Recommend Adoption by the Board of Amendments to Rule 74.23		
Member		Moved	Second	Vote**	Moved	Second	Vote**
Michael Hughes	Е			-			-
Joan Burns	P			Y			Y
Nick Richard	P		X	Y			Y
Jay Berger	P			A			Y
Ronald Fazzolare	Р			Y			Y
Thomas Lucas	P			Y			Y
Kim Lim	P			Y			Y
Randy Chapman	P			Y			Y
Donald Bird	P			Y			Y
Mark Andrizzi	P			Y			Y
Andy Sobel	P			Y		X	Y
Alice Sterling	Е			-			-
Edward Carloni	P			Y			Y
Paul Meehan	P	X		Y			Y
Steve Colome	P			Y	X		Y
Sara Head	P			Y			Y
Hugh McTernan	A			-			-
Stephen Frank	P			A			Y