**AGENDA ITEM #**

**04-9-1:** Public Meeting to Consider Approval of the Proposed 2004 State Implementation Plan for Ozone in the San Joaquin Valley.

**SUMMARY OF AGENDA ITEM:**

On October 28, 2004, the Air Resources Board (ARB or Board) approved the 2004 State Implementation Plan (SIP) for Ozone in the San Joaquin Valley (2004 Ozone Plan) for submittal to the U.S. Environmental Protection Agency (U.S. EPA). The San Joaquin Valley Unified Air Pollution Control District (District) adopted the 2004 Ozone Plan on October 8, 2004. The plan identifies the clean air strategies needed to bring the San Joaquin Valley into attainment with the federal 1-hour ozone standard by 2010.

The plan shows that the San Joaquin Valley needs to reduce ozone-forming emissions of volatile organic compounds (VOC) and oxides of nitrogen (NOx) by a combined 342 tons per day (tpd) between the 2000 starting point and the 2010 attainment date. It builds on already adopted controls and the strategies in the San Joaquin Valley’s 2003 SIP for particulate matter, then adds new commitments that provide the last increment of reductions needed to meet the 1-hour standard.

In the 2004 Ozone Plan, the District commits to develop 12 new measures to achieve 23 tpd of reductions and also commits to
achieve an additional 10 tpd reductions by 2010 from long-term measures. The 2004 Ozone Plan takes full credit for the VOC and NOx reductions from new statewide measures described in the 2003 State and Federal Strategy for the California SIP, which the Board approved last year. The statewide measures will reduce San Joaquin Valley ozone precursor emissions by 35 tpd by 2010.

The Board heard testimony from eight witnesses. Testimony in favor of approving the 2004 Ozone SIP was provided by District staff, a representative of the farming interest, U.S. Department of Agriculture staff, a dairy emissions control technology vendor, and a waste removal representative.

Community and environmental groups were split in their position. Two speakers urged the Board to reject the 2004 Ozone Plan as inadequate. Specifically, they stated the new Plan did not meet federal SIP requirements and failed to require pesticide emission reductions. Another speaker took a neutral position, but expressed concern that the plan did not improve air quality fast enough.

ORAL TESTIMONY:

Mr. David Crow, San Joaquin Valley Air Pollution Control District
Mr. David Mager, Bion Dairy Corporation
Mr. Manuel Cunha, Nisei Farmers League
Ms. Diane Bailey, Natural Resources Defense Council
Mr. Brent Newell, El Comite Para El Bienestar de Earlimart and Association of Irritated Residents
Ms. Teresa De Anda, El Comite Para El Bienestar de Earlimart
Mr. John Beyer, U.S. Department of Agriculture
Mr. Sean Edgar, Clean Fuels Coalition

FORMAL BOARD ACTION:

The Board unanimously approved Resolution 04-29, made the findings recommended by staff, and directed the Executive Officer to submit the 2004 Ozone Plan to U.S. EPA as a revision to the California SIP.

RESPONSIBLE DIVISION: Planning and Technical Support Division

STAFF REPORT: Yes
04-9-2: Public Meeting to Review Air Quality Legislation for 2004

SUMMARY OF AGENDA ITEM:

Staff presented a review of air quality legislation considered during the 2004 legislative session, including legislation that was enacted and will take effect January 1, 2005.

ORAL TESTIMONY: None

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Office of Legislative Affairs

STAFF REPORT: None

04-9-3: Notice of Public Meeting to Consider a Status Report on Catalyst Testing of Spark-Ignition Inboard/Sterndrive Pleasure Craft

SUMMARY OF AGENDA ITEM:

In 2001, the Board approved exhaust emission standards for inboard and sterndrive marine engines. The two tiers of approved standards included an initial “clean engine” standard beginning in 2003, followed by a phase-in of catalyst-based standards starting in 2007. As part of the 2001 rulemaking, the Board directed staff to coordinate a test program to demonstrate the safety and durability of catalysts in the marine environment.

Staff presented the results of the test program, which was conducted by the Southwest Research Institute. Four boats and engines, provided by the boating industry, were fitted with new exhaust systems that were equipped with catalysts. The engines were also equipped with closed-loop fuel control systems.

After accumulating 480 hours of “on water” operation the exhaust emissions were sampled. The test data showed that the emission control devices remained effective over the test program’s duration. Moreover, the results of the test program further demonstrated that, not only are catalysts safe and durable when used in the marine applications, but that the catalyst-based standard is indeed achievable.
ORAL TESTIMONY:

Mr. Richard Penna, Counsel, National Marine Manufacturers Association
Dr. Paul T. Roberts, Executive Vice President, Sonoma Technology, Inc.

FORMAL BOARD ACTION:

The Board considered and approved the staff’s findings with regards to the safety and durability of exhaust catalysts on marine engines. Furthermore, because industry requested amending the regulations, the Board directed staff to hold meetings to evaluate industry’s requests. The Board also directed staff to return in 2005 with the proposed amendments, provided that staff determines regulatory amendments are necessary and will not jeopardize emission reductions.

RESPONSIBLE DIVISION: Mobile Source Control Division

STAFF REPORT: Yes

04-9-4: Update to the Board on Implementation of the ATCM to Limit School Bus Idling and Idling at Schools

SUMMARY OF AGENDA ITEM:

In December 2002, staff presented to the Board the Airborne Toxic Control Measure to Limit School Bus Idling and Idling at Schools as the first step in carrying out the Air Resources Board’s (ARB) diesel exhaust particulate matter risk reduction plan. The Board unanimously approved the Airborne Toxic Control Measure or ATCM and directed staff to report in 2004 on the implementation of, and compliance with, the ATCM.

The ATCM, effective July 16, 2003, reduces exposure and associated adverse health effects due to diesel PM and other toxic air contaminants by eliminating unnecessary idling of school buses, transit buses, and other commercial heavy-duty vehicles at or near schools.

Staff provided an update to the Board on the various outreach activities utilized to educate the schools, school bus drivers, and drivers of commercial vehicles and transit buses to ensure
awareness of the ATCM’s requirements. Staff also discussed enforcement activities and compliance statistics.

Based on staff’s outreach and enforcement activities, minimal complaints have been received and a high compliance rate was found during on-site spot inspections.

The compliance statistics presented showed that affected drivers are conforming to the requirements of the ATCM. As such, children’s and other’s exposure and associated potential cancer risk and other adverse health effects due to diesel PM and other toxic air contaminants have been reduced.

Staff will continue to monitor the implementation of the ATCM and to track compliance to ensure the continued success of the program.

ORAL TESTIMONY: None

FORMAL BOARD ACTION: None

RESPONSIBLE DIVISION: Stationary Source Division

STAFF REPORT: None

04-9-5: Public Meeting for the Interim Update on the Heavy-Duty Diesel Engine Voluntary Software Upgrade (Chip Reflash) Program

SUMMARY OF AGENDA ITEM:

The Air Resources Board (ARB or the Board) staff presented the interim results of the Heavy-Duty Diesel Engine Voluntary Software Upgrade (Chip Reflash) Program. Based on preliminary data received September 7, 2004, the engine manufacturers have reflashed 15 percent of the California ref lashable fleet. The first target is 35 percent. This update prepares the Board for a more substantive discussion in December 2004, when the Board members will hear the final results for the first phase of the voluntary program. At that time, the Board will determine if the engine manufacturers have met the 35 percent goal and if the voluntary program is sustainable.

The Board adopted the regulation to require upgraded software in heavy-duty diesel engines in March 2004. At the March hearing,
the California Trucking Association asked for a chance to try a voluntary program and committed to an outreach campaign to their members and to other truckers. The Board directed staff not to file the regulation immediately, but to instead attempt voluntary software upgrades. The Board also directed staff to return in December 2004 with an evaluation of the results of the voluntary program.

Under the voluntary program, the engine manufacturers agreed to provide the low oxides of nitrogen (NOx) engine software at no cost prior to engine rebuild. ARB staff has been actively involved in outreach regarding the software upgrade since March 2004. Staff generated and mailed approximately 60,000 letters to individual 1993-1999 heavy-duty diesel vehicle owners and called approximately 200 dealers about the Voluntary Software Upgrade Program. Staff also worked closely with the California Trucking Association, who hosted numerous events around the state to raise awareness among its members. Staff convened and worked closely with a Software Upgrade Coordination Group, including members of the public and environmental groups.

Under the voluntary program, if enough vehicles are reflashed to meet the near term targets (2004-2005), the near-term emission benefits would exceed those of the adopted regulation. By 2010, the emission benefits of the regulation and the voluntary program would be the same.

ORAL TESTIMONY:

Ms. Diane Bailey, Natural Resources Defense Council
Mr. Paul Wuebben, South Coast Air Quality Management District
Ms. Gretchen Knudsen, International Truck and Engine Corporation
Ms. Staci Heaton, California Trucking Association
Ms. Stephanie Williams, California Trucking Association
Ms. Dawn Friest, Engine Manufacturers Association

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Mobile Source Control Division

STAFF REPORT: No