State of California
AIR RESOURCES BOARD

Summary of Board Meeting
December 7, 2006

Kern County Board of Supervisors
1115 Truxtun Avenue
Bakersfield, California

MEMBERS PRESENT: Robert F. Sawyer, Ph.D., Chairman
Sandra Berg
Henry Gong, Jr., M.D.
Dorene D'Adamo
Barbara Riordan
Barbara Patrick

AGENDA ITEM #

06-11-1: Report to the Board on a Health Update: Health Impacts of Air Pollution in the San Joaquin Valley

SUMMARY OF AGENDA ITEM:

Staff updated the Board on the results of a recently published study on exposure to toxic air contaminants and cancer risk estimated for a sample of inner city teenagers. Exposure to toxic air contaminants can take place outdoors and indoors as well as from other microenvironments such as travel in a motor vehicle. In the current health update paper, the investigators reported on outdoor home, indoor home, and personal exposures to airborne toxics for 41 and 46 high school students in L.A. and New York City, respectively. Selected known toxic volatile organic compounds (VOC) such as formaldehyde, and particle-associated metals such as chromium, were collected and measured. The authors reported that based on personal exposures to the measured toxic compounds, the median estimated cumulative risk for NYC high school students was 666 per million, while the LA median cancer risks from VOC personal exposures were 486 per million. These risks were 5 and 4 times higher than risks from ambient exposures, respectively, suggesting that personal exposures need to be considered to evaluate cancer risk.

The Board inquired about formaldehyde exposures indoors and outdoors, whether there are differences in Los Angeles and New York

housing to account for different exposures, and the estimate of diesel cancer risk which was not incorporated into the current study. Formaldehyde exposures were predominantly indoors although some formaldehyde is present in the ambient air. The housing in New York was primarily apartment living while in Los Angeles the housing was primarily single family or attached homes. The diesel risk based on regional levels in Southern California was in the same order of magnitude as the VOC risks in the current study.

ORAL TESTIMONY: None

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Research Division

STAFF REPORT: No

06-11-2: Public Meeting to Consider the Approval of New Grants under the Innovative Clean Air Technologies (ICAT) Program

SUMMARY OF AGENDA ITEM:

The staff recommended grants for 12 projects:

- ISE Corporation: "Heavy-Duty Transit Bus Using Modular Lithium Battery Packs" - $290,000.
- Artium Technoloiges: "Assessment of an Advanced Method for Measurement of the Solid Carbonaceous (Soot) Component of Mobile Source Particulate Matter" - $200,000.
- University of California, Irvine: "Adaptive Low Emission Microturbine Generator for Renewable Fuels" - $215,000.
- Engine, Fuel, and Emissions Engineering, Inc.: "Retrofit DPF+SCR System for Diesel Harborcraft" - $151,170.
- Environmental Systems Products Holdings, Inc.: "Particulate Measurement (PM) Devices" - $250,000 (South Coast $125,000 and ARB $125,000).
- Extengine Transport Systems, LLC.: "Retrofit SCR for NOx Emission Reduction Using Crystalline Matrix Storage System for Ammonia" - $157,000 (South Coast $78,500 and ARB $78,500).

- Johnson Mattey, Inc.: "Mobile Off-Road Retrofit SCRT Demonstration Project" - $70,000.

- Cummins Westport, Inc.: "Development, Demonstration & Commercialization of a 0.20 g/hp-hr NOx Natural Gas Engine" - $250,000 (CEC $250,000 and ARB $0).

- Mercury Marine: "Development and Demonstration of a Low Emissions Four Stroke Outboard Marine Engine Utilizing Catalyst Technology" - $475,000.

- Institute for Research and Technical Assistance (IRTA): "Laser Strip: A Portable Hand Held Laser Stripping Device for Reducing VOC, Toxic and Particulate Emissions" - $200,000.

- NxtGen Emissions Controls Inc.: "Mobile NOx and PM Aftertreatment Systems Field Trial" - $200,059.

- The ADEPT Group: "Maximus Stop-Fill Unit Demonstration" - $150,200 (South Coast $75,000 and ARB $75,200).

ORAL TESTIMONY: None

FORMAL BOARD ACTION: The Board adopted Resolution Numbers 06-47 through 06-58 unanimously.

RESPONSIBLE DIVISION: Research Division

STAFF REPORT: None

06-11-3: Public Meeting to Update the Board on the Central California Air Quality Studies

SUMMARY OF AGENDA ITEM:

Staff presented the key findings from two multi-million dollar studies of ozone (the Central California Air Quality Study or CCOS) and particulate matter (the California Regional Particulate Air Quality Study or CRPAQS), collectively known as the Central California Air Quality Studies. Staff updated the Board on how study results are providing the scientific foundation for the upcoming State Implementation Plans (SIP) addressing the national 8-hour ozone and PM2.5 standards.

CCOS and CRPAQS embody a collaborative partnership co-funded by Federal, State, and local governments and private industry. These studies are providing an extensive integrated database to better understand emission sources and control approaches for ozone and particulate matter. On-going study efforts comprise in-depth data analysis and simulation of episodic, seasonal, and annual air quality using state-of-the-science computer models.

The information gathered from the studies is now being used in an integrated manner in the SIP development process. These SIP tasks include: 1) identifying the most effective mix of pollutants to support a combined ozone and PM2.5 strategy; 2) determining attainment targets – how much do emissions of identified pollutants need to be reduced to attain the standards; and 3) to the extent possible, modeling the impacts of specific control strategies. The studies are now wrapping up and in the final phase. The results of the studies will be used for many years as study data and findings continue to be evaluated. In the process, ARB will continue to collaborate with the Districts in integrating study results into the current and future SIPs.

The Board heard testimony honoring Board member Barbara Patrick for her outstanding contribution as Chair of the Policy Committee guiding the Central California Air Quality Studies from four members of the Policy Committee.

ORAL TESTIMONY:

Les Clark, Independent Oil Producers Agency
Manuel Cunha, Jr., NISEI Farmers League
Catherine H. Reheis-Boyd, Western States Petroleum Association
Seyed Sadredin, San Joaquin Valley Air Pollution Control District

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Planning and Technical Support Division

STAFF REPORT: No

06-11-4: Proposed Emergency Amendments to the Statewide Portable Equipment Registration Program (PERP) Regulation, the Airborne Toxic Control Measure (ATCM) for Diesel-Fueled Portable Engines, and the ATCM for Stationary Compression-Ignition Engines

SUMMARY OF AGENDA ITEM:

The staff presented proposed emergency amendments to the PERP regulation and the ATCMs for Diesel-Fueled Portable Engines and Stationary Compression-Ignition Engines. The emergency amendments provide regulatory relief for affected industry relative to the registration, availability, sale, and purchase of portable and stationary diesel engines.

Specifically, the emergency amendments provide that Tier 1 and Tier 2 engines that resided or operated in California between March 1, 2004 and October 1, 2006 may be allowed to register in PERP upon payment of prescribed registration fees. At the discretion of the air pollution control officer, a local air pollution control or air quality management district may permit uncertified (Tier 0) engines, as well as Tier 1 and Tier 2 engines.

The proposed amendments include a “tier change” sell-through provision for sellers and purchasers of stationary and portable engines and compliance extensions for up to one year when complying engines are demonstrated to not be available.
Other changes include modifying the definition of a resident engine, removing a requirement for rental companies to use hour-meters, deleting outdated provisions, and adding minor clarifications where needed.

Following the adoption of the amendments at the hearing, staff submitted the emergency regulatory package to the Office of Administrative Law (OAL). OAL approved the change, and the emergency regulation was filed with the Secretary of State and became effective on December 27, 2006. The emergency regulation will be effective for a period not to exceed 120 days.

Staff plans on returning to the Board in March 2007 with proposed amendments that will make the emergency provisions permanent.

ORAL/WRITTEN TESTIMONY:

Carol Coy, South Coast AQMD
Michael Lewis, Construction Industry Air Quality Coalition
Jim Jacobs, Operating Engineers
Phil Vermeulen, ECA
William Davis, MCOG, SCCA, EUCA, ACPA
Alvan Mangalindan, Crane Owners Association
Seth Hammond, Specialty Crane & Rigging
Mike Konle, Champion Crane Rentals, Inc.
Richard Battaini, Sheedy Drayage Company
Dick Stuart, Maxium Crane Works
Mike Cusack, American Concrete Pumping Association
Gloria Cordle, CA Association Of Tree Trimmers and Landscapers
Horticultural Industry
John McClelland, Ph.D., American Rental Association
Gary Rohman, AGC Association of General Contractors
Lance Erickson, Monterey Bay Unified APCP
Bob Liebermann, PM Putzmeister
Trina Panaqua, Garvey Equipment Company
James Thomas, Nabors Well Services Co.
Seyed Sadredin, San Joaquin Valley APCD

FORMAL BOARD ACTION: The Board unanimously adopted Resolution number 06-43, thereby adopting the emergency amendments.

RESPONSIBLE DIVISION: Stationary Source Division

STAFF REPORT: No

06-8-3: **<u>CONTINUATION FROM THE SEPTEMBER 28 BOARD MEETING:</u>**
Public Hearing to Consider Adoption of Amendments to the Hexavalent Chromium Airborne Toxic Control Measure for Chrome Plating and Chromic Acid Anodizing Operations (Chromium Plating ATCM).

SUMMARY OF AGENDA ITEM:

Staff proposed amendments to the Chromium Plating ATCM that would significantly reduce emissions and cancer risk from all facilities. Consideration of the amendments was continued from the September 28, 2006 hearing, at which the Board directed staff to work with stakeholders and return to the Board with a revised proposal.

Staff presented its revised proposal at the December 7, 2006 hearing. Requirements would be based on proximity to sensitive receptors. Facilities within 330 feet (about one city block) of a sensitive receptor would be required to install add-on control equipment and meet an emission rate of 0.0015 milligrams/ampere-hour. However, very small, low risk facilities with less than 20,000 annual ampere-hours could use specific chemical fume suppressants to comply. Beyond 330 feet of a sensitive receptor, facilities with up to 50,000 annual ampere-hours could use specific chemical fume suppressants to comply, and facilities with ampere-hours between 50,000 and 500,000 would be required to meet the emission rate of 0.0015 milligrams/ampere-hour, but add-on control equipment would not be required. However, the largest facilities, with over 500,000 ampere-hours per year, would be required to meet the 0.0015 milligrams/ampere-hour limit with add-on control equipment. A provision for new hexavalent chromium plating and anodizing facilities was also proposed to ensure that facilities are not allowed to operate in areas zoned residential or mixed use, or within 1,000 feet of any such area. New facilities would also be prohibited from operating near schools or schools under construction. Staff also proposed amendments to require housekeeping and compliance training.

As provided in Health and Safety Code section 39666(f), districts can approve alternative methods of compliance as long as the alternative method provides an equivalent, or greater, reduction in emissions and health risk. To streamline the approval process, staff proposed an appendix which lists the information a facility must provide to the air district with any request for use of an alternative method.

The modified proposal would reduce estimated cancer risk from about 70 percent of facilities to less than, or equal to, one per million people exposed, and over 90 percent of facilities would have estimated cancer risk less than, or equal to, ten per million people exposed.

ORAL TESTIMONY:

Brian Bateman, Bay Area AQMD
Daniel Cunningham, Metal Finishing Association of Southern California, Incorporated, and Surface Technology Association
Geoffrey Blake, Drilube/All Metals
Ed Appleton, MFASC
Dennis Becvar, Metal Finishers
Frank Grana, California Electroplating, Inc.
Alan Olick, MFASC
John Marrs, Chrome Craft, and STA
Sam Bell, Metal Surfaces, Inc.
Bob McBride, A.C. Plating
Ray Lucas, STA/MFASC
Charles Pomeroy, STA/MFASC
Paula Forbis, Environmental Health Coalition (EHC)
Francisca Jimenez, EHC
Blanca Romero, EHC
Jane Williams, California Communities Against Toxics
Sarah Sharpe, Coalition for Clean Air
Jill Whynot, SCAQMD

FORMAL BOARD ACTION:

The Board adopted Resolution 06-25, approving the amendments with the additional modifications proposed by staff. In addition, the Board directed staff to: 1) work with the air districts on methodologies for evaluating alternative methods of compliance to ensure that the alternative provides equivalent reductions in emissions and health risk; 2) conduct a focused educational effort, including suggestions for mitigation, with land-use planning agencies and potentially affected chromium plating and anodizing facilities with the goal of ensuring that sensitive receptors are not sited near existing operations; and 3) report back to the Board in 18 months on air district enforcement efforts.

RESPONSIBLE DIVISION: Stationary Source Division

STAFF REPORT: Yes.

06-11-5: **Public Hearing to Consider Amendments to California's Emission Warranty Information Reporting and Recall Regulations and Emission Test Procedures**

SUMMARY OF AGENDA ITEM:

Staff proposed major changes to the emission warranty reporting and recall regulations that tied corrective action such as recalls and extended warranties to systemic emission component defects. The staff identified three aspects of the existing regulation that needed improvement, specifically: (1) the proof required to demonstrate violations of ARB's emission standards or test procedures, (2) the corrective action available to ARB to address the violations, and (3) the way emissions warranty information is reported to ARB. The proposed amendments targeted these aspects of the current regulations that would result in more corrective action to vehicles that have defective emission control devices or systems.

The Board heard opposition testimony from motor vehicle and engine manufacturers, as well as the service repair industries. Their testimony centered on three main points: (1) ARB's legal authority to carry out the proposed amendments, including not linking corrective action to emission exceedances and mandatory extended warranties, (2) the lack of process and time given to respond to the regulatory changes, and (3) the monetary impacts to the independent repair businesses in California. The Board agreed with industry that additional time would be helpful for clarifying some of the conceptual ideas presented in the proposed 15-day changes and would allow manufacturers additional time to participate in the development of the regulations. The Board emphasized that the current proposal is on the correct path for addressing systemic emission component failures and the decision to continue the board item was not intended to result in a restructuring or change to the scope of the proposal.

ORAL/WRITTEN TESTIMONY:

Steven Douglas, Alliance of Automobile Manufacturers
Dave Patterson, Mitsubishi Motors
Sara Rudy, Ford Motor Company
Tony Martino, General Motors
Alan Prescott, Ford Motor Company
Denny Kahler, Automotive Services Association
John Cabaniss, Association of International Automobile Manufacturers, Inc.
Jed Mandel, Engine Manufacturers Association

Marty Keller, California Automobile Business Coalition
Nikki Ayers, Ayers Automotive Repairs
Norman Plotkin, CAWA
Aaron Lowe, AAIA
Bob Klingenberg, ASCCA
Kingsley Macomber, Sierra Research
Ann Gallon, Sierra Club
Dean Saito, South Coast AQMD

FORMAL BOARD ACTION:

The Board unanimously agreed to reconsider this amendment within six months of December 7, 2006.

RESPONSIBLE DIVISION: Mobile Source Control Division

STAFF REPORT: Yes

06-11-6: Public Hearing to Consider Proposed Amendments to the Voluntary Accelerated Vehicle Retirement Program

SUMMARY OF AGENDA ITEM:

Staff proposed amendments to the Voluntary Accelerated Vehicle Retirement (VAVR) regulation that would authorize the optional use of technologies such as remote sensing devices and high emitter profiles to identify potential high emitting vehicles for participation in VAVR programs. The proposed amendments would also authorize the generation of extra emission reduction credits for retiring high emitting vehicles.

Staff also proposed to reinstate the vehicle registration requirement from 120 days to 24 months to be consistent with the enabling legislation.

Additionally, staff proposed reorganizing the regulatory language to improve readability and consolidate responsibilities, removing two sections that are no longer applicable, and replacing the emission reduction tables with the underlying methodology so reductions could more easily be updated for future years.

ORAL/WRITTEN TESTIMONY:

Dean Saito, South Coast Air Quality Management District
Carl Nord, Environmental Systems

FORMAL BOARD ACTION:

The Board unanimously adopted Board Resolution 06-45, thereby adopting the amendments as proposed.

RESPONSIBLE DIVISION: Mobile Source Control Division

STAFF REPORT: Yes

06-11-7: Public Hearing to Consider Proposed Revisions to the Carl Moyer Program Guidelines Light-Duty Vehicle Chapter

SUMMARY OF AGENDA ITEM:

Staff proposed revisions to the Light-Duty Vehicles chapter of the Carl Moyer Program Guidelines. These revisions included the authorization for funding programs that incorporated the optional use of technologies such as remote sensing to identify potential high emitting vehicle for entry into Voluntary Accelerated Vehicle Retirement (VAVR) programs or Voluntary Vehicle Repair (VRV) programs.

Criteria were also proposed for operating VRV programs and high emitter VAVR programs. Additionally, programs designed to retire or repair high emitting vehicles would be required to submit detailed plans for prior approval by the Air Resources Board before program implementation. The proposed revisions included a recommended methodology to calculate extra emission reductions for retiring vehicles identified as high emitters and a methodology for calculating emission reductions for repairing high emitting vehicles.

ORAL/WRITTEN TESTIMONY:

Dean Saito, South Coast Air Quality Management District
Carl Nord, Environmental Systems

FORMAL BOARD ACTION:

The Board unanimously adopted Board Resolution 06-46, adopting amendments as proposed.

RESPONSIBLE DIVISION: Mobile Source Control Division

STAFF REPORT: Yes

06-11-8: **Report to the Board on the Allocation of $25 Million for New Public Agency Low-Emission Construction Equipment**

SUMMARY OF AGENDA ITEM:

Staff reported to the Board regarding the proposal for allocating $25 million for the purchase of low-emission construction equipment for public agencies. The report included staff's plan for expending the funds in addition to the types of equipment that will be eligible for grants. The proposal incorporated public input received at a public workshop held in late November 2006.

ORAL/WRITTEN TESTIMONY: None

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Mobile Source Control Division

STAFF REPORT: No