

Mark Ross  
07-12-3

## BAY AREA AIR QUALITY MANAGEMENT DISTRICT

## RESOLUTION No. 2007- 16

**A Resolution of the Board of Directors of the Bay Area Air Quality Management  
Urging that Local Air Districts Serve as Collectors and Verifiers of Global Warming  
Emissions Data under AB 32 and that Pending ARB Regulations Reflect that Role**

WHEREAS, in 2006, the California Legislature adopted and the Governor of California signed Assembly Bill 32 ("AB 32"), known as the California Global Warming Solutions Act of 2006;

WHEREAS, AB 32 requires the California Air Resources Board ("ARB") to adopt by January 1, 2008, regulations for the mandatory reporting of greenhouse gas emissions from greenhouse gas emission sources beginning with the sources or categories of sources that contribute most significantly;

WHEREAS, ARB has prepared, pursuant to the AB 32 mandate, a draft "Regulation for Mandatory Reporting of Greenhouse Gas Emissions" requiring reporting of greenhouse gas emissions from large stationary sources that are responsible for approximately 94% of carbon dioxide emissions from industrial and commercial stationary sources of emissions;

WHEREAS, the draft regulation requires that emissions be reported directly to ARB without submission to the local air district that has regulatory responsibility for the facility;

WHEREAS, the District, and every other local or regional air district, is given primary responsibility for regulating stationary sources within its jurisdiction pursuant to Health & Safety Code §§ 40000;

WHEREAS, the District, like many other local and regional air districts, has been responsible for many years for reporting emissions of ozone precursors and other pollutants to ARB for stationary sources within its jurisdiction;

WHEREAS, as a result of these many years of practical experience in collecting and verifying emissions data, the District and other air pollution control districts have particular expertise well suited to collecting and verifying greenhouse gas emissions data;

WHEREAS, the California Air Pollution Control Officers Association ("CAPCOA") has, on behalf of local and regional air districts; submitted comments urging ARB to modify its proposed regulation to provide for local and regional air districts to collect and verify greenhouse gas emission data for the stationary sources subject to the regulation;

WHEREAS, the CAPCOA comments are attached to this resolution;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Bay Area Air Quality Management District does hereby urge ARB, in the spirit of partnership, to amend its proposed regulation to provide for collection and verification of greenhouse gas emissions data by local and regional air districts;



BE IT FURTHER RESOLVED that the Board of Directors of the Bay Area Air Quality Management District does endorse and support the attached comments submitted to ARB by CAPCOA on behalf of the District and other local and regional air districts.

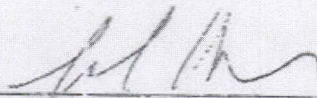
~~such other efforts as are approved~~ that the Board of Directors of the Bay Area Air Quality

The foregoing resolution was duly and regularly introduced, passed and adopted at a regular meeting of the Board of Directors of the Bay Area Air Quality Management District on the Motion of Director HAGGERTY, seconded by Director LOCKHART, on the 5th day of DECEMBER, 2007 by the following vote of the Board:

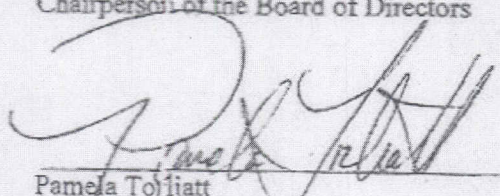
AYES: BROWN, DALY, DUNNIGAN, GARNER, GIOIA, HAGGERTY, HILL, KLATT, KNISS, LOCKHART, MILEY, SHIMANSKY, SILVA, SMITH, TORLIATT, UILKEM, WAGENKNECHT, ROSS

NOES: NONE.

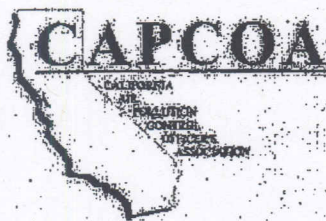
ABSENT: BATES, KISHIMOTO, McGOLDRICK

  
\_\_\_\_\_  
Mark Ross  
Chairperson of the Board of Directors

ATTEST:

  
\_\_\_\_\_  
Pamela Torliatt  
Secretary of the Board of Directors





980 Ninth Street, 16<sup>th</sup> Floor  
Sacramento, CA 95814  
(916) 449-9603 (916) 449-9604 FAX  
[www.capcoa.org](http://www.capcoa.org)

September 25, 2007

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**EXEC. DIRECTOR**

Melvin D. Zeldin  
[mel@capcoa.org](mailto:mel@capcoa.org)

Mr. Tom Cackette  
Acting Executive Officer  
California Air Resources Board  
P.O. Box 2815  
Sacramento CA 95812

**RE: Comments on Mandatory Reporting of Greenhouse Gases**

Dear Mr. Cackette:

As you know, CAPCOA has been following very closely and with great interest the implementation of the mandatory reporting of greenhouse gases (GHG) required by Assembly Bill (AB) 32. We understand and appreciate the magnitude and importance of your staff's assignment, and sincerely want to help ARB succeed. We strongly believe accomplishing the goals of AB 32 is intimately linked to accurate, verifiable, transparent, and cost-effective GHG emissions reporting and verification. The local air districts have the ability and desire to assist ARB toward successfully implementing this important task.

Over the last few months, CAPCOA representatives have had a number of meetings and conference calls with ARB staff, during which our position regarding the aforementioned mandatory reporting regulation has been clearly presented and supported. We have also provided comments on the draft regulation released by ARB. While we sincerely appreciate those opportunities to discuss the issues, we feel that our recommendations have not yet received the consideration they deserve. We have been told that mandatory reporting is not the most important area for district involvement, and that implementation and enforcement of the scoping plan are much more important roles for the districts. CAPCOA respectfully disagrees with this perspective.

As the agencies that collect criteria and toxic pollutant emissions data and issue and enforce permits for stationary sources in California, we have a very good understanding of the importance of establishing a solid emissions inventory as the foundation for all other regulatory actions. Without a solid inventory, the permit program and potential future cap and trade program will be very difficult to implement. Thus, CAPCOA envisions a partnership between the local air districts and ARB to implement an effective and efficient reporting process that will



Mr. Tom Cackette

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benefit not only our agencies, but also the reporting facilities. There are two key areas that we look forward to discussing with you on Thursday, September 27, 2007: (1) making data reporting a shared and simultaneous process, and (2) having local air districts serve as the third-party verifiers.

#### Emission Reporting

Essentially, we propose that the facilities report the required GHG data to the local air districts in an integrated manner along with their criteria and toxic pollutant emissions data. We envision a reporting process that provides requisite information to both ARB and the air districts in a way that is transparent to the reporting facility. Such a system can satisfy the requirement for data to be submitted to ARB, address concerns that have been raised about timeliness, and make the process more efficient, less expensive, and with significantly less duplication and potential for inconsistencies. ARB could focus on defining the required GHG data elements and specify data interchange formats and details. Guidance and protocols for local air districts to follow would be developed, similar to our SIP process.

#### Third-Party Verifiers

Regardless of whether GHG emissions data are reported in an integrated manner with criteria and toxic pollutant data or not, what is most important to the successful implementation of AB 32 is that the expertise of the air district staff is fully utilized to review and verify GHG data quality. Accordingly, we strongly recommend that the ARB regulation for mandatory GHG reporting identify the local air districts as third-party verifiers, with an option for individual districts to "opt-out" of this role. A preliminary survey of our members indicates that virtually all of the affected sources reside in districts that want to partner with ARB on collection of GHG inventory data.

#### Summary of Rationale

To reiterate our commitment to help ARB achieve the goals of AB 32, we would like to provide you a summary of the reasons why we consider the active participation of the local air districts to be vital toward implementing the mandatory GHG reporting process.

- The extensive knowledge of the local air districts' staff of the GHG sources subject to the AB 32 reporting requirements, which will provide the necessary level of data detail and integrity.
- As public agencies, data verification by the local air districts will be truly independent, as opposed to a verification process where the verifiers are hired by reporting facilities.
- The existing interaction between the local air districts and the facilities subject to the GHG reporting requirements will result in the collection of consistent and accurate data for the emissions of criteria and toxic pollutants and GHGs.
- IT industry standard technologies and methodologies (e.g. web services, XML specifications, etc.) are readily available to ensure secure, seamless data exchange of facility information to both ARB and air districts simultaneously.
- The local air districts have the resources to comply with the timelines and additional requirements established for data verification.
- The local air districts can assist in the implementation of voluntary credit and/or cap-and-trade emission reduction programs, producing reliable data for baseline purposes and



applying enforceable conditions in facility permits to document GHG emission reductions.

- Many local air districts already have reporting and data management systems in place that can be adapted to the GHG emission reporting requirements; it will be easier and less costly to use these systems than to implement an entirely new system at ARB.
- Because of the likely future involvement of the local air districts in the implementation of the climate protection program, due to the regulatory and enforcement framework of AB 32, we believe that the foundation for this cooperation must be built now.

CAPCOA has prepared some suggested revisions to the draft regulation to show what changes would be needed to implement our recommendations. We believe these proposed changes, aimed at utilizing the existing expertise and resources of local air districts, will improve the overall climate protection program by providing an efficient and cost-effective reporting process, proactive cooperation and interaction between the affected parties, and enhanced coordination of all the AB 32 phases. We are committed to resolving any issues or concerns that you or your staff may have in relation to our proposed changes. We have enclosed our specific recommended changes to the draft regulations in strikeout and underline format.

We look forward to meeting with you on the 27th. In the interim, please do not hesitate to call me at (805) 781-5912 if you have questions or comments regarding our recommendations.

Sincerely,



Larry R. Allen  
President

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