Board Agenda Item

TO: Air Pollution Control District Board
FROM: Aeron Arlin Genet, Air Pollution Control Officer
CONTACT: Sara Hunt, Executive Assistant/Board Clerk (805-961-8853)
SUBJECT: Minutes of the February 2018 South Central Coast BCC Meeting

RECOMMENDATION:

Receive and file the attached minutes from the February 22, 2018 meeting of the South Central Coast Basinwide Control Council (BCC).

DISCUSSION:

The Health and Safety Code (Section 40900) requires that each air basin, which is comprised of two or more air pollution control districts, establish a basinwide air pollution control council. This council is intended to promote coordination of air pollution control efforts throughout the air basin. The council receives reports on rule development and planning efforts, the anticipated effect of state and federal actions, and other issues of interest.

The South Central Coast BCC meets quarterly and consists of one Board Member, appointed by the Air Pollution Control Board, from each of the following Districts: San Luis Obispo County, Santa Barbara County and Ventura County. As you may recall, Al Clark was appointed by your Board to represent Santa Barbara County on this Council in 2018.

The attached minutes summarize the February 22, 2018 South Central Coast Basinwide Control Council meeting. We provide such minutes to your Board after their approval.

ATTACHMENT:

- February 22, 2018 BCC Meeting Minutes
MEETING MINUTES
February 22, 2018
Meeting Commenced at 10:05 a.m.

Present
Council Members:  Mike Morgan and Barbara Harmon.
Staff:  Gary Willey, Mike Villegas and Aeron Arlin Genet.

1. Election of Chairman & Vice Chair for Next Year
   It was moved by Mr. Morgan, seconded by Ms. Harmon and voted to elect Barbara Harmon as Chair for 2018. It was moved by Ms. Harmon, seconded Mr. Morgan, and voted to elect Mike Morgan as Vice Chair for 2018.

2. Approval of Minutes of September 7, 2017
   A motion was made by Mr. Morgan, seconded by Ms. Harmon that the minutes be approved. The motion carried by the following vote:

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Abstain</th>
<th>Absent</th>
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<tbody>
<tr>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Morgan, Harmon</td>
<td>None.</td>
<td>None.</td>
<td>None.</td>
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</tbody>
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3. Public Comment Period
   Colby Morrow, representing Southern California Gas Company, was present and noted that Tim Mahoney (Southern California Gas Company) may attend future meetings.
4. **AB 617**  
*(Mike Villegas)*

Mike Villegas stated AB 617 is probably the most significant piece of state legislation since the California Clean Air Act (CCAA) of 1988. Under the CCAA and the federal Clean Air Act, air districts have focused on regional issues. Air districts develop plans, control measures, and monitor the air on a regional basis. Both Ventura and Santa Barbara Counties have challenges with the ozone and regional pollutants.

AB 617 focuses on a community level. The California Office of Environmental Health Hazard Assessment has developed a mapping tool (Cal Enviro Screen 3.0) to look at exposure levels and demographics at the community level. The mapping tool considers exposure information such as: the number of nearby landfills, superfund sites, contaminated soil, ozone levels, particulate matter levels, diesel emissions and pesticide application rates. Demographics such as income levels, high school graduation rates, and linguistic isolation are also considered. This mapping tool can be used as a first cut in identifying disadvantaged communities. Districts are to provide our criteria for reviewing communities to the California Air Resources Board (CARB) by April 30, 2018.

AB 617 aims to make sure no community is subject to a disproportionate burden of air pollutant emissions. This is to be accomplished by identifying susceptible communities and making sure they are not subject to disproportionate environmental impacts.

Air districts and CARB are also required to provide emission inventory information to the public. Air district rules for certain facilities will also be subject to additional periodic review for stringency. AB 617 also increased the maximum penalty for some air pollutant violations.

5. **State Portable Diesel Engine ATCM and the Portable Equipment Registration Program**  
*(Gary Willey)*

Gary Willey stated that for years we have known the state air toxic control measure for portable engines needed amendments. Air districts have been working with CARB on modifications to that regulation. There is an average for all your equipment, and over time fleets must transition to the cleanest engines (Tier 4 engines, equipped with catalyst). Last November CARB adopted the amendments that were developed on with the air districts. We believe the amended CARB regulation have more reasonable requirements and deadlines. Unfortunately, CARB regulations must also be approved by the state Office of Administrative Law prior to becoming effective. In the meantime, air districts have an agreement not to enforce the previous version of regulations. The amended regulations are more reasonable for the regulated community. For example, an amended regulation defines a low use engine as one operated less than 200 hours per year, where the previous version allowed only 80 hours of operation per year.

Engine operators who have already met the previous standards will be granted credits. There is a provision that requires notification if a piece of equipment is not registered to operate in California. Also, there is a provision that raises fees, possibly in November 2018, to cover program costs which have almost doubled.
6. **California GHG Oil and Gas Rule**  
(Aeron Arlin Genet/Michael Goldman)

Aeron Arlin Genet and Michael Goldman provided an overview of the CARB regulations that were adopted last year and became effective January 1, 2018. The purpose of the regulation stems from AB 32 to reduce greenhouse gas emissions (GHG), methane in this case. There was also language included to address issues related to SB 4 and well stimulation operations.

The regulation impacts oil and gas production, processing and storage, and crude oil pipeline/pump stations. Not impacted: utility and metering stations and oil and gas platforms located in the outer continental shelf. Santa Barbara County Air Pollution Control District (SBCAPCD) staff took a proactive approach working with the California Air Pollution Control Officers Association (CAPCOA) and CARB to minimize the impact to the regulated community.

Requirements will affect separator and tank systems, circulation tanks, natural gas compressors, well casing vents, and underground storage facilities. CARB’s regulation covers leaking equipment from compressor seals/rod packing to piping components such as valve and flanges.

Air districts can choose to enforce the CARB regulation via a Memorandum of Agreement (MOA) between the air district and CARB. SBCAPCD signed an MOA with CARB to implement the regulation in December 2017.

7. **Brief Update on Advance Funding for Air District Incentive Programs**  
(Mike Villegas)

Mike Villegas stated air districts receive funds from the state to implement incentive programs such as the Carl Moyer program and Lower-Emission School Bus program. In the past these incentive funds were provided to air districts in advance, then to grantees on a reimbursement basis. The air districts tracked the interest earned on these incentive funds and either utilized the interest earnings for program projects or returned the earnings to the state. The state’s Department of Finance (DOF) has proposed that air districts no longer receive advance funding of these incentive funds. This would put a significant financial strain of both air districts and grantees as we wait for the state to reimburse the funds. There were also potential legal issues with air districts signing grant contracts with grantees if the state was unable to provide the funds. CAPCOA, CARB and DOF have been working to resolve this issue. Just recently, the DOF agreed to continue to provide advance funding for incentive programs.

8. **Thomas Fire Update**

This item was continued until the next meeting.

9. **Other Business/Confirm Next Meeting Date**

No other business was discussed. The next meeting is tentatively scheduled for May 24, 2018 at 10:00 a.m.

10. **Adjourn**

Meeting was adjourned at approximately 11:30 a.m.