
SOUTH CENTRAL COAST BASINWIDE AIR POLLUTION CONTROL COUNCIL

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TECHNICAL ADVISORY COMMITTEE

Michael Villegas, APCO
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COUNCIL MEMBERS

Brian Brennan, Chair
Council Member, City of Ventura

Edward Easton, Vice Chair
Council Member, City of Goleta

Karen Bright
Council Member, City of Grover Beach

MEETING MINUTES

October 20, 2010

Present

Council Members: Brian Brennan, Ventura County
Karen Bright, San Luis Obispo County

Staff: Mike Villegas, Ventura County
Terry Dressler, Santa Barbara County
Larry Allen, San Luis Obispo County

1. Approval of Minutes of July 21, 2010

Bright/Brennan Minutes Approved

2. Implementation of the USEPA Tailoring Rule for Permitting Sources of Greenhouse Gases - All

The Environmental Protection Agency (EPA) made a finding that Green House Gases (GHGs) are indeed a pollutant. Once that finding was made, requirement automatically kicked for air pollution control districts to issue Prevention of Significant Deterioration (PSD) permits for all new major sources or major modifications of major sources of air pollutants. The definition of a major source for any pollutant for PSD is 250 tons, and for some is 100 tons. The problem is 250 tons of CO₂ can be emitted by almost anything. Because of this the EPA had to change the PSD rules; they have called it the Tailoring Rule. The Tailoring Rule changed the threshold of CO₂ to 100,000 tons for new sources, and sources

over 75,000 tons have to get Title V permits. EPA is reviewing the final limit, but have said they will not go below 50,000 tons.

Once EPA promulgated their rule, Districts need to begin implementing the changes. Districts have been working with the EPA looking at various ways to respond. Some Districts will write new rules, others will update current rules.

Santa Barbara County APCD has decided on a 4 step process:

- Add a definition of GHG to our definitions rule.
- Revise our permits requirement rule to add applicability language that references 40-CFR-52, which says if you need a permit under the code of federal regulations, you need a permit from us.
- Revise Title V rules to change the definition of Title V.
- Revise another rule, which allows sources that have actual emissions lower than 50% of the applicable threshold, to define GHGs.

So that they can be delegated to issue PSD permits, Santa Barbara APCD worked with EPA to develop a rule that will incorporate by reference the federal rules. Prior to bringing these changes to the board for approval, public workshops will be held.

Ventura County APCD is taking similar steps; modifying definitions, modifying Title V rules, changing record keeping rules and the synthetic minor rule where an initial limit can be taken in order to stay out of Title V. A public workshop for the Title V rules was held on September 21, 2010, and will go to the Advisory Committee on November 2, 2010. EPA has reviewed the rules twice and so far seems to approve of the approach.

San Luis Obispo County APCD expects to follow similar steps, but has not yet begun the process.

The general consensus is that most districts will amend their current rules. Push-back from industry is not expected. EPA wants adoption of the new rules by January 1, 2011. It does not appear our districts will be ready by January 1, but will be close.

PSD is a clause adopted into the federal Clean Air Act in the 1970's that allows an industry to only use up a certain increment of pollution capacity before reaching the level of the health standard. The permitting requirement of PSD requires an analysis of what the baseline is and how much of an increment of pollution they will be allowed to emit. It also requires Best Available Control Technologies (BACT) to be installed. Because of this clause, permits were being issued by the EPA. With the new GHG Tailoring Rule, permit issuance will now fall upon local districts.

Depending on the November 2010 election results on Prop 23, it is possible this rule development may be suspended.

3. Marine Shipping – The Coast Guard PARS Process & CARB’s Proposal to Revise Their Ocean-Going Vessel Fuels Rule - Dressler

For Santa Barbara County, marine shipping emissions are a significant part of the emissions inventory, approximately 50%. This is due to the onshore winds, otherwise known as eddies. The district will not be able to maintain attainment status if something is not done with the ships.

The state recently passed a clean fuels rule, which reduced some NO_x emissions off the channel. Secondly, the EPA passed regulations that will create a clean air area within 200 miles of the coast and will require control of clean fuels, and later on with new ships will control and lower NO_x levels. These rules were accepted and adopted as part of MariPro Marine International Treaty Organization’s Emission Control Area (ECA) for all of the coastal United States. By 2014 or 2015, all ships within 200 miles of shore will need to switch to cleaner fuels, and over time as new ships are built they will need to be cleaner.

In complying with these new rules, ships have moved outside the islands off the Santa Barbara coast, which helps pull pollutants out of Santa Barbara County. This year has been the cleanest on record, possibly due to this new rule. There have been only 7 days over the state ozone standard. In most recent years, there have been at least 12 days over the state ozone standard.

The U.S. Navy is very concerned about the ships being outside the island. This area has been used as their testing ground. The Air Resources Board (ARB) has been working with the Navy on a solution. One possibility is to extend the 24 miles beginning with the islands, rather than the coast, taking the ships further out.

On a parallel, there are no established shipping lanes outside the islands. Individual ship operators have worked with each other to create their own lanes, but the Coast Guard needs to establish actual lanes. They have begun a Port Access Route Study (PARS) and are in the process of analyzing things such as whale strikes, air pollution and cross traffic. Initial public comments have been taken and a couple workshops have been held. After a thorough review, the PARS will be produced with a recommendation. Based on the study and recommendation, a new route will be determined and published in the Federal Registry. In order to keep the area clear for downrange missile testing, the Navy does not want new shipping lanes outside the islands. This is expected to be the only major push-back of the plan.

For now, the good news is we should be seeing cleaner fuels in Santa Barbara County even if the ships come back into the channel. One thing the district has asked the ARB, EPA and Coast Guard to explore is vessel speed reduction. If speed is reduced to 12 knots, currently 24 knots, it will reduce air pollutants by approximately 60%.

4. Waste Conversion Technologies - Villegas

One of the leading alternatives to landfills is the plasma arc approach which uses the heating value of the trash, incinerating it to break down into its elemental compounds. Waste is converted into crude synthetic gas (syngas); mostly carbon monoxide, hydrogen, tar and reactive carbon. The syngas is then sent to a gas quality control suite to remove sulfur and acid gas as well as segregate heavy metals. Carbon bag is used in final treatment of the syngas to remove residual mercury and dioxins. Syngas can be used to power internal combustible engines and generate electricity. The solid residue from the conversion chamber is sent to a separate higher temperature carbon recovery vessel with another plasma arc torch where the solid is further melted and any remaining VOCs and carbon are converted into crude syngas. Remaining solid residue is cooled into slag pellets used as construction aggregate.

Cost of a plasma arc waste conversion is still an issue. A Canadian study found the waste conversion process is about 18% cleaner for GHG emissions of CO₂. Taking electricity savings into consideration, it could be about 60% cleaner. One caution on this study is it seems to be looking at a comparison to a coal-fired plant, not a gas-fired plant.

Plasma arc plants could be located at transfer stations rather than in landfills, which will cut down on transportation costs, but may create concerns with the public. Another concern would be the possible increase in tipping fees. A Health Risk Assessment (HRA) would need to be facilitated, as well as other studies. Overall though, these facilities seem to be where the future is headed, with the benefits of electricity creation, less travel of waste transfer vehicles and there will no longer be the worry of running out of space as there currently is with landfills.

5. SLOAPCD Separation from the County - Allen

The Hauser Bill adopted in the early 90's changed the District Board from Supervisor's only to now include City Representatives. This bill in essence made affected air districts independent from their respective counties, but the staff of SLOAPCD remained county employees. 75% of the district budget is salary and benefits. That means the county has control of 75% of their budget. With the recent budget deficits, the county is looking at ways to reduce salaries. The district in the meantime has been fiscally conservative and their budget is in good shape, but the county is looking at possible cut-backs, such as mandatory furloughs or reduction in hours. The district cannot afford any type of productivity loss, so they went to their board for approval to study the pros and cons of separating from the county. The board approved the request and asked the district to begin the process.

The district hired a consultant to perform a feasibility analysis to find out what needed to be done with regards to pensions, payroll, health plans, etc. The study was presented to the Board in January, and the Board directed staff to begin the process of separation. The consultant helped with implementation of the separation as well as negotiation of benefit plans. With the exception of a higher Workers

Compensation rate, all benefits will be comparable in quality and price. Workers Compensation will be reevaluated in 2 years for a possible reduction in rates. The district will continue their Payroll and Human Resources (HR) through the county by contract.

The biggest change with this move is the district will no longer be in the Civil Service System. County HR is helping to establish a policies and procedures manual, which will be similar to the Civil Service System and include items such as grievance procedures, evaluations and discipline action. The main difference between this policy and procedures manual and the Civil Service System is grievances or appeals would ultimately be brought before a state mediator or arbitrator rather than the Civil Service Commission if they get to that point in the process.

Benefits to separating from the county are that the district will have more control over their budget, as well as the recruitment and management of staff. Some employees have expressed concern about the process, but the management team has made significant efforts to keep them informed of every step in the process, and they are becoming more comfortable. To aid in transparency, the district has created sub-committees to receive feedback from employees as well as board members.

The final piece of breaking away from the county is the policy and procedures manual, which will be brought to the Board for adoption and approval on December 1, 2010.

6. Other Business/Next Meeting Date

January 19, 2011