

AIR RESOURCES BOARD – MEETING SUMMARY REPORT

Public Meeting Held on
July 24 & 25, 2014

NOTE: This is a brief, informal summary of the public Board meeting and is meant to convey an overview of the items and the discussions related to them. This summary is not considered as an official description of the meeting or of the Board's direction to staff. The transcript serves as the official recording of the meeting and is posted on ARB's web page about two weeks after the meeting and can be found at:

<http://www.arb.ca.gov/board/meetings.htm#future>

The July 24 & 25, 2014, Air Resources Board meeting was held in Sacramento, at the California Environmental Protection Agency Headquarters Building. Key items presented are summarized below.

CONSENT ITEM:

14-6-1: Public Meeting to Consider Five Research Proposals

The Board approved five research proposals that were developed based on the Board-approved Fiscal Year 2014-2015 Annual Research Plan. The funded projects are designed to (1) study ultrafine particulate matter exposure and mortality using existing epidemiological data, (2) study neurological effects of ultrafine particulate matter in an animal model, (3) improve understanding of ozone formation in the southern San Joaquin Valley, (4) evaluate how current natural gas infrastructure can accommodate future conversion to near-zero transportation technology, and (5) develop lifecycle data for hydrogen fuel production and delivery.

DISCUSSION ITEMS

14-6-2: Update to the Board on the Assembly Bill 8 Required Joint Evaluation Process of the Carl Moyer Program Being Conducted by the Air Resources Board and California Pollution Control Officers Association

The Board heard an informational update from ARB staff and the California Air Pollution Control Officers Association on the process of a joint evaluation of the Carl Moyer Program. Assembly Bill 8 extended a portion of Carl Moyer Program funds through 2023 and required ARB, in consultation with local air districts, to convene working groups to evaluate

the long-term policies and goals of the Carl Moyer Program and to identify potential improvements that may require statutory changes. As part of this effort, the Incentive Programs Advisory Group is holding public meetings to develop and implement concepts to improve the Carl Moyer Program. This evaluation process will ensure the program's continued success to reduce emissions and protect public health.

14-6-3: Public Meeting to Consider Proposed Revisions to the Carl Moyer Memorial Air Quality Standards Attainment Program Guidelines for On-Road Heavy-Duty Trucks

The Board approved revisions to the Carl Moyer Program Guidelines to achieve the goal of aligning the program with ARB's Truck and Bus Regulation, in light of recent amendments to that regulation. The revisions expand funding eligibility and prioritize funds toward small fleets. Revisions include limiting eligibility to fleets of 1-3 trucks, allowing funding of light heavy-duty trucks and reducing minimum California usage from 75 percent to 51 percent. With extensive outreach, these revisions will increase funding opportunities and participation as well as clarify program administration.

14-6-4: Update to the Board on the Revised Office of Environmental Health Hazard Assessment Health Risk Assessment Guidelines

The Board heard an update from ARB staff, CAPCOA and the Office of Environmental Health Hazard Assessment on the upcoming changes to OEHHA's Health Risk Assessment Guidelines. The updated guidance includes new methods for estimating health risk that reflects the greater sensitivity of children to air toxics. As a result, cancer risk estimates will be greater than previously calculated. Staff described the joint work plan with the air districts to incorporate the new information into ARB's risk management programs for air toxics. Staff will continue to work with OEHHA and CAPCOA to improve California air toxics programs which have led to an 80 percent reduction in ambient cancer risk statewide since 1990.

14-6-5: Update to the Board on the Air Resources Board's Greenhouse Gas Measurement Program and the Megacities Project

The Board heard an update on staff's efforts to quantify ambient greenhouse gas (GHG) concentrations throughout the state. California's GHG monitoring network is the first of its kind and provides important data for understanding GHG emissions. The Board also heard from a representative of the National Aeronautics and Space Administration

(NASA) who discussed the Megacities Carbon Project. This multi-agency project uses satellite data to assess the relative concentrations of greenhouse gases at locations worldwide.

14-6-6 Update to the Board on the Status of the Compliance Offset Program Under the California Cap-and-Trade Program

The Board heard an update on the status of the California Cap-and-Trade Offset Program. The use of offsets in the Cap-and-Trade program encourages voluntary emission reductions in sectors not covered by the program, supports development of clean, low carbon technologies within and outside of California, and provides environmental, social, and economic benefits. It is also a cost containment tool for covered parties. New offset protocols will be presented for Board consideration later this year.

14-6-7 Update to the Board on San Joaquin Valley Sustainable Communities Strategies

The Board heard an informational update on the status of the eight San Joaquin Valley Metropolitan Planning Organizations' (MPO) Sustainable Communities Strategies (SCS). Staff described MPO transportation strategies and examples of infill and mixed use projects in the Valley, and the process for the Board's upcoming reviews of the GHG determinations for each SCS. Staff also briefed the Board on the process underway to provide public input on potential updates to the SB 375 greenhouse gas reduction targets first set by the Board in 2010. The Board will consider the process and timing for updating the targets at its October meeting.

14-6-8 Update to the Board on the Proposed Re-Adoption of the Low Carbon Fuel Standard

The Board heard an update on the status of the proposed re-adoption of the Low Carbon Fuel Standard (LCFS), as well as amendments under development. The Board will consider a re-proposed LCFS and an alternative diesel fuel regulation in early 2015. In the update, staff discussed how the LCFS complements the Cap-and-Trade program, the status of the LCFS credit market, the role of the LCFS in reaching California's GHG targets, and out-of-state partnerships. Staff highlighted regulatory amendments under development to address potential increases in oxide of nitrogen (NOx) from biodiesel, and several technical amendments reflecting what has been learned in the four years of implementation.