

AIR RESOURCES BOARD – MEETING SUMMARY REPORT

Public Meeting Held on
September 18, 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 September 18, 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 #:

14-7-1: Public Meeting to Consider Two Research Proposals

The Board approved funding for two research proposals that were developed based on the Board approved Fiscal Year 2014-2015 Annual Research Plan. The funded projects include characterization of PM2.5 episodes in the San Joaquin Valley based on a winter 2013 study using data from NASA, and a study looking at the durability, emissions and demand for Plug-in Electric Vehicles in the Secondary Market.

14-7-2: Public Meeting to Consider Approval of the Town of Mammoth Lakes PM10 Maintenance Plan and Redesignation Request

The Board approved the PM10 Maintenance Plan and Redesignation Request for the Town of Mammoth Lakes developed by the Great Basin Unified Air Pollution Control District. The Plan and Request will be submitted to the United States Environmental Protection Agency as a revision to the California State Implementation Plan.

DISCUSSION ITEMS

14-7-4: Public Meeting to Consider the Interim Guidance for Agencies Receiving Monies from the Greenhouse Gas Reduction Fund

The Board approved Interim Guidance for agencies administering projects to be funded by the Greenhouse Gas Reduction Fund (GGRF). State law

provides direction to State agencies receiving appropriations from the GGRF, including requirements for the Air Resources Board to develop funding guidelines to ensure statutory requirements are met.

This Interim Guidance provides direction for agencies to meet SB 535 (De León, 2012) requirements to allocate 25 percent of the available moneys in the GGRF to projects that deliver benefits to disadvantaged communities and to allocate a minimum of 10 percent of the available monies to projects located within disadvantaged communities. The guidance contains yes/no criteria for agencies to determine if a project is located within and provides direct benefits to a disadvantaged community, or if not located within a disadvantaged community, still provides direct benefits to one or more disadvantaged communities.

The California Environmental Protection Agency will identify disadvantaged communities based on geographic, socioeconomic, public health, and environmental hazard criteria. Full funding guidelines will be developed over the next year and brought back to the Board for final approval in 2015.

14-7-5: Public Hearing to Consider Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms

The Board adopted implementation related amendments to the Cap-and-Trade Regulation. These amendments changed allocation requirements for two entities, modified product data definitions to align with the Mandatory Reporting Regulation, simplified corporate association disclosure requirements, and clarified legacy contract language for electricity. The Board also approved technical updates to the compliance protocols for Ozone Depleting Substances offsets and Livestock offsets.

The Board delayed addressing the quantification methodology for the United States Forest protocol until December to allow additional stakeholder involvement.

14-7-6: Public Hearing to Consider Amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions

The Board approved amendments to the Mandatory Reporting Regulation (MRR) of Greenhouse Gas Emissions. These amendments are needed to align the MRR with California's Cap-and-Trade Regulation and the State's other climate and greenhouse gas programs, and to integrate reporting of the Cost of Implementation Fee Regulation into the MRR. The amendments also clarify requirements for refinery and hydrogen production

reporting, natural gas and petroleum suppliers reporting, and electric power entities transmission and sales reporting.

14-7-7: Public Hearing to Consider Amendments to the Cost of Implementation Fee Regulation

The Board approved amendments to the existing AB 32 (Pavley, 2006) Cost of Implementation Fee Regulation. These amendments revise definitions and provisions to align with the Mandatory Reporting Regulation of Greenhouse Gas Emissions, and the Cap-and-Trade Regulation. The amendments also clarify regulatory language, streamline program administration, increase reliance on third-party verification, update emission factors and provide other clarifying changes.