State of California AIR RESOURCES BOARD

Summary of Board Meeting October 23, 2008

California Air Resources Board Byron Sher Auditorium, Second Floor 1001 I Street Sacramento, California

MEMBERS PRESENT: Mary Nichols, Chairman

Ms. Sandra Berg
Dr. John Balmes
Ms. Dorene D'Adamo
Supervisor Jerry Hill
Ms. Lydia Kennard
Mayor Ronald Loveridge
Mrs. Barbara Riordan
Supervisor Ron Roberts
Professor Daniel Sperling

Dr. John Telles

Agenda Item

08-9-1: Heath Update: The Effect of Prenatal and Early Childhood

Exposure to Air Pollution on Lung Function in Asthmatic

Children

SUMMARY OF AGENDA ITEM:

The Air Resources Board staff provides the Board with regular updates on recent research findings on the health effects of air pollution. This month, staff shared the findings of a recent ARB-funded study by Mortimer, et al., on the link between prenatal and early childhood exposure to air pollution and decreased lung function in asthmatic children. This study used an innovative statistical technique to assess the impact of exposure to criteria pollutants on lung functioning in a sample of 232 children from the Fresno Asthmatic Children's Study (FACES) cohort. The authors found that children most exposed to certain air pollutants suffered up to an 8 percent reduction in lung functioning compared to those least exposed. Their results suggest that prenatal exposure may have a particularly strong impact on lung functioning later in life.

Board member Dr. Telles asked whether the study attempted to determine whether socioeconomic factors were risk factors that might overpower impacts from air pollution. Staff responded that while the study did examine both socioeconomic factors and air pollution, it did not try to weigh their relative importance.

Dr. Telles commented that his personal experience corroborated that asthma is a serious problem for children in the San Joaquin Valley.

Board member Roberts inquired whether there is any research being done to examine the children's immediate environment, such as pesticides in the home, which would impact their asthma. Board member Dr. Balmes, who was a coauthor of Mortimer, et al., responded that FACES did consider exposure to household allergens, such as pets and dust mites, as well as secondhand tobacco smoke, but not household pesticides. However, he noted that FACES will incorporate data from the Department of Pesticide Regulation on pesticide application on nearby fields.

In his response, Dr. Balmes also pointed out that of all the pollutants the study examined, NO2 seems to be most closely associated with immediate changes in lung function. He also mentioned another study, Fresno Kicks Asthma, which will specifically examine the effect of asthma in schools.

ORAL TESTIMONY: None

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Research Division

STAFF REPORT: No

08-9-2: Public Meeting to Consider Research Screening Committee

SUMMARY OF AGENDA ITEM:

Staff recommended two appointments to the Research Screening Committee (RSC) in accord with AB 2991, which expands the RSC from nine to eleven permanent voting members and stipulates that at least two members have climate change expertise.

Dr. Mathew Kahn, University of California, Los Angeles, will help guide ARB with respect to economic and social dimensions of climate change mitigation strategies. Dr. Suzanne Paulson, University of California, Los Angeles, offers expertise on atmospheric chemistry and measurement of aerosols, including the climate-forcing effects of aerosols.

ORAL TESTIMONY: None

FORMAL BOARD ACTION:

The Board unanimously approved staff's recommendations to appoint two RSC members.

RESPONSIBLE DIVISION: Research Division

STAFF REPORT: No.

08-9-3: **Update on 2008 Air Quality Legislation**

SUMMARY OF AGENDA ITEM:

Rob Oglesby, ARB's Legislative Director, presented a review of air quality legislation for the second year of the 2007-2008 Legislative Session. Of the more than 2,000 bills introduced during this legislative year, the Board's legislative staff tracked about 300 bills relating to air quality. Of these, only 78 bills were sent to the Governor. The 2008 Annual Summary of Air Quality Legislation report highlighted major legislation relating to air quality from the 2008 Legislative Session. This report was provided as a handout.

The bills that were tracked addressed a wide array of air quality issues ranging from historic land use changes to green chemistry, including the continued themes of greenhouse gases, energy, goods movement, smog check, and more.

Mr. Oglesby's presentation included a discussion of the year's most important legislation including annual Budget and Budget Trailer bills, as well as bills sponsored by ARB. Also discussed were ten air quality-related special legislative hearings. Potential issues expected for 2009 were also presented.

ORAL TESTIMONY: None

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Office of Legislative Affairs

STAFF REPORT: No

08-9-4: Status Report on AB 32 Implementation and the Scoping Plan

SUMMARY OF AGENDA ITEM:

Staff presented an overview of the AB 32 Proposed Scoping Plan (Plan) to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020, including key elements of the Plan, changes that were made to the Draft Scoping Plan, the major issues with the Plan, and the next steps involved in adoption and implementation of the Plan.

The Plan recommends a mix of complementary strategies that combine market-based regulatory approaches, other regulations, voluntary measures, fees, and potential monetary and nonmonetary incentives. Key elements of the plan include:

- A cap-and-trade program that sets a firm cap on GHG emissions, to include the electricity and industrial sources in 2012.
- Transportation and commercial and residential natural gas sectors in 2015 to be linked to the Western Climate Initiative partner programs.
- Aggressive energy efficiency programs in buildings, appliances, and vehicles, and an increase in renewable energy resources to 33 percent.
- Regional targets for reductions of transportation-related GHG emissions (to be replaced by SB 375 reduction targets as that law is implemented).
- Continued progress in implementing existing policies and programs, including the Pavley GHG standards.
- Targeted fees, such as a public goods charge on water and on high global warming potential gases.
- A fee on GHG emissions to help fund the State's administration of the climate change program.

ARB's economic analysis shows that the Plan will help California's economy grow while creating jobs and saving individual households and businesses money. Public health analysis shows that the reduction of fuel combustion will be accompanied by improved public health.

During the presentation, staff identified the major issues of: the extent to which cap and trade will be utilized to help reduce GHG,

emissions, how to distribute allowances (the permits to emit GHGs), the role of offsets (surplus emission reductions from outside the cap-and-trade program), the use of revenues generated by the auction, and how the Plan will improve air pollution and public health. In general, these are issues which will require further development as the implementation process continues.

Over the next two years, implementation of the measures in the Plan will involve the normal rulemaking process, with ample opportunity for public input and comment, and continued partnerships with State, regional, and local governmental agencies, stakeholders, and communities.

ORAL TESTIMONY:

Rachael Katz, Pacific Forest Trust Anton Chiono, Pacific Forest Trust Lauren Navarro, Environmental Defense Fund Edwin Lombard, California Black Chamber of Commerce and California Association of Black Pastors Charles Frazier, Sacramento Black Chamber of Commerce Erin Rogers, Union of Concerned Scientists Dorothy Rothrock, California Manufacturers and Technology Association, AB 32 Implementation Group Kristina Erikson, Planning and Conservation League Bonnie Holmes-Gen, American Lung Association of California Bernadette Del Chiaro, Environment California Audrey Chang, Natural Resources Defense Council Diane Bailey, Natural Resources Defense Council Danielle Osborn Mills, Center for Energy Efficiency and Renewable Technology Arthur Boone, Northern California Recycling Association Autumn Bernstein, ClimatePlan Tim Carmichael, Coalition for Clean Air

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Office of Climate Change

STAFF REPORT: Yes

08-9-5: Report to the Board on the Environmental Protection Indicators for California Project: Indicators of Climate Change in California

SUMMARY OF AGENDA ITEM:

As lead agency for the Environmental Protection Indicators for California Project, the Office of Environmental Health Hazard Assessment (OEHHA) has been tasked by Cal/EPA with developing environmental indicators related to climate change. Environmental indicators represent objective, scientifically based measurements on the status and trends of environmental releases, conditions or effects. The establishment of climate change-related environmental indicators has functions beyond tracking changes in the environment. These indicators can also be used to provide early warning signals of the effects of climate change, as well as to help identify actions needed to address climate change-related impacts. The indicators that OEHHA staff highlighted include atmospheric CO₂ concentration, temperature rise, forest impacts, and timing of seasonal life cycle events. They serve to illustrate how vegetation and wildlife are being affected by changes in climate.

Chairman Nichols stated her support of indicators work and suggested additional indicators, such as one for biological diversity, well as others focused on social and economic aspects of climate change.

ORAL TESTIMONY: None

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Research Division

STAFF REPORT: No

08-9-6: Status Report to the Board on the State Implementation Plan for the Sacramento 8-Hour Ozone Nonattainment Area

SUMMARY OF AGENDA ITEM:

On October 23, 2008, staff presented to the Board a status report for the California State Implementation Plan for the Sacramento 8-Hour Ozone Nonattainment Area. The Nonattainment Area consists of all of Sacramento and Yolo Counties and portions of El Dorado, Placer, Solano, and Sutter Counties. Five local air districts have jurisdiction in this area, and staff from the five districts

are collaborating on development of the local plan element, which is currently in its draft phase. The proposed plan, to be released later this year, must be considered by the five local air district boards with jurisdiction in the area before consideration by ARB.

The draft Plan presents the results of photochemical modeling demonstrating by how much emissions must be reduced in Sacramento in order to attain the 1997 federal 8-hour ozone standard. The plan further demonstrates how emissions reductions from the measures detailed in the 2007 State Strategy, together with proposed local measures, will be sufficient for attainment of the standard in the Sacramento area. Emissions reductions from the proposed truck rule will be crucial to attainment in the area.

Staff presented the Board with the expected timeline for plan completion, and indicated that staff expects to present the plan to the Board for their consideration at the March 2009 hearing.

ORAL TESTIMONY: None

FORMAL BOARD ACTION: None (Informational Item)

RESPONSIBLE DIVISION: Planning and Technical Support

Division

STAFF REPORT: No