

MEETING
STATE OF CALIFORNIA
AIR RESOURCES BOARD

RIVERSIDE COUNTY ADMINISTRATIVE CENTER
BOARD OF SUPERVISORS CHAMBERS
FIRST FLOOR
4080 LEMON STREET
RIVERSIDE, CALIFORNIA

THURSDAY, MARCH 23, 2017

9:11 A.M.

JAMES F. PETERS, CSR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

A P P E A R A N C E S

BOARD MEMBERS:

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Ms. Sandra Berg, Vice Chair

Dr. John Balmes

Mr. Hector De La Torre

Mr. John Eisenhut

Assembly Member Eduardo Garcia

Senator Ricardo Lara

Ms. Judy Mitchell

Mrs. Barbara Riordan

Supervisor Ron Roberts

Supervisor Phil Serna

Dr. Alex Sherriffs

Professor Daniel Sperling

Ms. Diane Takvorian

STAFF:

Mr. Richard Corey, Executive Officer

Dr. Alberto Ayala, Deputy Executive Officer

Ms. Edie Chang, Deputy Executive Officer

Mr. Kurt Karperos, Deputy Executive Officer

Ms. Ellen Peter, Chief Counsel

Ms. Veronica Eady, Assistant Executive Officer

Ms. La Ronda Bowen, Ombudsman

Ms. Emily Wimberger, Chief Economist

A P P E A R A N C E S C O N T I N U E D

STAFF:

Ms. Nicole Dolney, Chief, Transportation Planning Branch, AQPSD

Ms. Joe Fischer, Air Resources Engineer, Oil and Gas Section, ISD

Mr. Glenn Gallagher, Staff Air Pollution Specialist, Research Division

Mr. Rob Habel, Division of Oil, Gas and Geothermal Resources

Mr. Wes Ingram, Chief, Project Assessment Branch, ISD

Ms. Nesamani Kalandiyur, Manager, Transportation Analysis Section, AQPSD

Ms. Lezlie Kimura Szeto, Manager, Sustainable Communities Policy and Planning Section, AQPSD

Mr. Scott King, Air Pollution Specialist, South Coast Air Quality Planning Section, Air Quality Planning and Science Division(AQPSD)

Ms. Kirsten King Cayabyab, Air Pollution Specialist, AQPSD

Ms. Karen Magliano, Division Chief, AQPSD

Mr. Ryan McCarthy, Science and Technology Policy Advisor, Chair's Office

Ms. Christina Morkner Brown, Senior Attorney Legal Office

Mr. Jim Nyarady, Manager, Oil and Gas Section, ISD

Ms. Elizabeth Scheehle, Chief, Oil and Gas and Greenhouse Gas Mitigation Branch, ISD

Mr. Craig Segall, Assistant Chief Counsel, Legal Office

Ms. Marcelle Surovik, Staff Air Pollution Specialist, Energy Section, Industrial Strategies Division(ISD)

Ms. Carol Sutkus, Manager, South Coast Air Quality Planning Section, AQPSD

A P P E A R A N C E S C O N T I N U E D

STAFF:

Mr. Jonathan Taylor, Assistant Division Chief, AQPSD

Ms. Sylvia Vanderspek, Chief, Air Quality Planning Branch, AQPSD

Mr. Floyd Vergara, Division Chief, ISD

Ms. Amy Volz, Staff, Sustainable Communities Policy and Planning Section, AQPSD

ALSO PRESENT:

Mr. Alan Abbs, California Air Pollution Control Officers Association

Ms. Adenike Adeyeye, Earth Justice

Dr. Felix Aguilar, American Lung Association

Ms. Fariya Ali, Pacific, Gas & Electric

Mr. Stephen Anderson

Mr. Bruce Baizel, Earthworks

Ms. Marina Barragan, My Gen

Mr. William Barrett, American Lung Association

Ms. Louis Bedsworth, Office of Planning and Research

Mr. Michael Boccadoro, Dairy Cares

Mr. Raphael Brugueras

Ms. Irene Burga, Environmental Defense Fund

Mr. Chris Cannon, Port of Los Angeles

Mr. Frank Caponi, Los Angeles County Sanitation District

Mr. Mike Chatton

Mr. Curtis Coleman, Southern California Air Quality Alliance

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Paul Cort, Earth Justice

Ms. Kathleen Dale

Mr. John Davis, Mojave Desert and Mountain Recycling Authority

Mr. Paul Delaney, Southern California Edison

Mr. Harvey Eder, Public Solar Power Coalition

Mr. Evan Edgar, Clean Fleets Compost Coalition

Ms. Estela Escoto, Committee for a Better Arvin

Dr. Phillip Fine, South Coast Air Quality Management District

Ms. Channell Fletcher, Climate Plan

Ms. Ericka Flores, Center for Community Action and Environmental Justice

Mr. Juan Flores, Center on Race, Poverty, and the Environment

Ms. Genevieve Gale, Central Valley Air Quality Coalition

Mr. Miguel Garcia, Committee for a Better Arvin

Mr. Pedro Garcia

Mr. Ruben Garza, My Gen

Mr. Sheraz Gill, San Joaquin Valley Air Pollution Control District

Ms. Corie Goldman, American Lung Association

Ms. Margaret Gordon, California Cleaner Freight Coalition

Ms. Libby Groutt, Families for Clean Air

Ms. Irene Gutierrez, Natural Resources Defense Council

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. George Hague

Mr. David Hamilton, Shecco America

Mr. Kevin Hamilton, Central California Asthma
Collaborative

Mr. David Harris, San Diego 350

Ms. Michele Hasson, Center for Community Action and
Environmental Justice

Mr. Peter Herzog, NAIOP

Mr. Santiago Hernandez

Ms. Bonnie Holmes-Gen, American Lung Association in
California

Mr. Charles Hon, True Manufacturing

Mr. Hasan Ikhrata, Southern California Association of
Governments

Ms. Fran Inman, Majestic Realty

Mr. Thomas Jelenic, Pacific Merchant Shipping Association

Mr. Hakan Jackson, My Gen

Ms. Asher Jones, My Gen

Mr. Gerald Katz

Ms. Sadia Khan, My Gen

Mr. Ken Kirkey, Metropolitan Transportation Commission

Rev. Earl Koteen, California Cleaner Freight Coalition

Mr. Mark Krausse, Pacific, Gas & Electric

Mr. Bill La Marr, California Small Business Alliance

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Ms. Garciela Larios, Center for Community Action and Environmental Justice

Ms. Bryn Lindblad, Climate Resolve

Mr. Joe Lizarraga, U.S. Growers Cold Storage

Mr. Bill Magavern, Coalition for Clean Air

Mr. Jesse Marquez, Coalition for a Safe Environment, California Clean Freight Coalition

Ms. Jennifer Morris, SoCalGas

Mr. Beto-Lugo Martinez, California Clean Freight Coalition

Ms. Lauren Nevitt, SoCalGas

Mr. Brent Newell, Center on Race, Poverty, and the Environment

Ms. Penny Newman, Center for Community Action and Environmental Justice

Mr. Graham Noyes, Noyes Law Corporation

Ms. Rachel O'Brien, Agricultural Council

Mr. Jimmy O'Dea, Union of Concerned Scientists

Mr. Peter Okurowski, Association of American Railroads

Ms. Carmen Patlan, Center for Community Action and Environmental Justice

Ms. Kristen Pawling, Natural Resources Defense Council

Ms. Jenifer Pitcher, Western States Petroleum Association

Ms. Esther Portillo, Center for Community Action and Environmental Justice

Mr. Bill Quinn, California Council for Environmental and Economic Balance

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Mr. Willie Rivera, California Independent Petroleum Association

Ms. Lorena Rodarte, Center for Community Action and Environmental Justice

Mr. David Rothbart, Southern California Alliance of Publicly Owned Treatment Works

Mr. Bill Sadler, Safe Routes to School National Partnership

Mr. John Scherer, Los Angeles Cold Storage Company

Mr. John Shears, Center for Energy Efficiency and Renewable Technologies, California Hydrogen Business Council

Mr. Chris Shimoda, California Trucking Association

Ms. Jennifer Shipman, Manufacturers Council of the Central Valley

Mr. Andrew Silva, San Bernardino County

Ms. Joana Silva, My Gen

Mr. Mikhael Skvarla, United Technologies Corporation, Carrier Corps

Ms. Christina Starr, Environmental Investigation Agency

Mr. Jim Stewart, Sierra Club, Center for Community Action and Environmental Justice

Ms. Taylor Thomas, East Yard Communities for Environmental Justice

Ms. Heather Tomley, Port of Long Beach

Mr. Kirk Trost, Sacramento Area Council of Governments

A P P E A R A N C E S C O N T I N U E D

ALSO PRESENT:

Ms. Ada Trujillo, Center for Community Action and
Environmental Justice

Ms. Helen Walter-Terrinoni, The Chemours Company

Mr. V. John White, California Hydrogen Business Council

Ms. Nancy Whitehorse

Ms. Susan Wood, American Carbon Registry

Mr. Frank Wright, World Logistics Center

Mr. John Yi, American Lung Association

Ms. Josephine Young, Center for Community Action and
Environmental Justice

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P R O C E E D I N G S

CHAIR NICHOLS: Good morning, ladies and gentlemen. As you can see, we're learning a new system here. Thanks to the Riverside County which has lent us their beautiful meeting room. We also have a sound system which is very sophisticated, and so I want to make sure that all of our Board members know that they can control their own microphones with a button that says microphone on. I get to see all of you and call on you in the order in which you pressed your request-to-speak button. And other -- but you still get to speak when you want to. It's just a -- it's easier for me if I can actually see who's in what order and call on you as I -- as I usually do.

So with that, I'm going to call this meeting to order and ask that we begin, as we always do, with the Pledge of Allegiance to the flag.

Would you please rise?

(Thereupon the Pledge of Allegiance was recited in unison.)

CHAIR NICHOLS: I have to say that those words mean more now than they have in a long time. So thank you.

I want to make a couple of quick announcements. First, I have to do the tech -- request to testify. We

1 are going to be using our usual process where we ask
2 everybody to fill out a card, if they want to speak. The
3 cards are available outside the Board room. We appreciate
4 it if you turn it into the clerk of the Board, who's down
5 here in front, before your item that you're here to speak
6 on comes up.

7 There will be and three minute time limit as
8 usual. And we appreciate it, if you have written
9 testimony, if you just summarize the testimony in your own
10 words, and don't try to read it, because we'll have the
11 written testimony anyhow.

12 For safety reasons, please note that there are
13 exits at the rear of the room. And in the event of a
14 Emergency situation, we're required to evacuate this room
15 immediately, through those doors, exit the building, and
16 wait until we get and all-clear signal. And I think that
17 does it for all the preliminaries.

18 I want to immediately recognize the Mayor of
19 Riverside, Mayor Bailey, who we've learned to call
20 Rusty -- good morning, Mayor Bailey -- to say a few words
21 to welcome us here for our first meeting in Riverside.

22 CITY OF RIVERSIDE MAYOR BAILEY: Madam Chair, I
23 am truly honored to represent Riverside in welcoming the
24 California Air Resources Board to its first meeting here
25 in our city, which just happens to be the winner of your

1 Coolest California City Challenge in 2014 --

2 (Laughter.)

3 CITY OF RIVERSIDE MAYOR BAILEY: -- as well as
4 our State Department of Conservation Emerald City
5 Designation, the first ever given for sustainable
6 initiatives and renewable energy, and Audubon
7 International's Green Community award just this last year.
8 And I mention these awards to reinforce our common vision
9 and goals to improve the quality of air and quality of
10 life for our communities and for generations of
11 Californians to come.

12 This is indeed an historic occasion. Thank you
13 for holding your meeting in our city today and for giving
14 our residents and the residents of Riverside County an
15 opportunity to see firsthand the who, what, and how of the
16 Air Resources Board.

17 My welcome today is, of course, part of a much
18 larger welcome to our community that has been under way
19 for several ways. We look forward to creating even
20 stronger bonds between our community and the ARB and its
21 employees, who will be working right here in Riverside
22 just down the road as many of us saw yesterday soon
23 enough.

24 I'd like to personally thank all of the ARB Board
25 members, executive leadership, and staff working so

1 closely with our local government, the Greater Riverside
2 Chambers of Commerce and our partners in the business and
3 higher education communities.

4 We talk a lot about the power of partnerships in
5 Riverside, and how these partnerships make us stronger,
6 make us smarter, and make us a more capable community.

7 Thank you to everyone in this room for being a
8 part of the partnerships that not only in transitioning
9 ARB to Riverside, but in working to provide cleaner air to
10 all Californians. We know that we are better together in
11 Riverside.

12 Our city government strives to be the most
13 responsive and responsible local government in California,
14 but we can't do it alone. We find strength in our
15 collaboration with the Chamber, the City's community
16 college and three universities, our many civic and service
17 groups and our larger Riverside Community.

18 So as we continue to welcome ARB employees into
19 our city family, through personalized tours of Riverside
20 to showcase all that we have to offer, and as we look
21 forward to construction of the new testing facility just a
22 few miles from this building, we know that commitment to
23 collaboration is more important than ever.

24 I know I speak for all Riversiders when I say
25 that this last year has been a very rewarding journey for

1 all of us, but we still have a long way to go. So I
2 challenge everyone who has been involved the local ARB
3 effort to dig a little deeper every day to make certain
4 that we are providing the absolute best customer service
5 and experience that we can show, as we move closer to the
6 groundbreaking but the end of this year, and eventually
7 the ribbon cutting in 2021.

8 So we look forward to working with our new
9 partners, and we thank you for your public service to our
10 State. God bless you all, and God bless Riverside

11 CHAIR NICHOLS: Thank you very much, Mr. Mayor.
12 As all of you can probably tell, I'm a little bit short on
13 voice today, but I feel a lot better than I sound. And
14 hopefully with the aid of the microphone, you'll all be
15 able to hear me.

16 But if I turn out to be unable to speak at some
17 point, I am just going to turn the proceedings over to my
18 trusty Vice Chair Sandy Berg who's sitting right next to
19 me.

20 Unless anyone feels a need to begin with any
21 statements, I think we should just start out with our
22 consent calendar --

23 BOARD CLERK McREYNOLDS: Madam Chair?

24 CHAIR NICHOLS: Yes.

25 BOARD CLERK McREYNOLDS: Would you like me to

1 call roll?

2 CHAIR NICHOLS: Oh, sure.

3 (Laughter.)

4 CHAIR NICHOLS: That sounds like a good idea.

5 Please, Madam Clerk, call the roll.

6 BOARD CLERK McREYNOLDS: Dr. Balmes?

7 BOARD MEMBER BALMES: Here.

8 BOARD CLERK McREYNOLDS: Mr. De La Torre?

9 BOARD MEMBER DE LA TORRE: Here.

10 BOARD CLERK McREYNOLDS: Mr. Eisenhower?

11 BOARD MEMBER EISENHUT: Here.

12 BOARD CLERK McREYNOLDS: Senator Florez?

13 Assembly Member Garcia?

14 Supervisor Gioia?

15 SENATOR LARA: Here.

16 BOARD CLERK McREYNOLDS: Senator Lara?

17 Ms. Mitchell?

18 BOARD MEMBER MITCHELL: Here.

19 BOARD CLERK McREYNOLDS: Ms. Riordan?

20 BOARD MEMBER RIORDAN: Here.

21 BOARD CLERK McREYNOLDS: Supervisor Roberts?

22 BOARD MEMBER ROBERTS: Here.

23 BOARD CLERK McREYNOLDS: Supervisor Serna?

24 BOARD MEMBER SERNA: Here.

25 BOARD CLERK McREYNOLDS: Dr. Sherriffs?

1 BOARD MEMBER SHERRIFFS: Here.

2 BOARD CLERK McREYNOLDS: Professor Sperling?

3 BOARD MEMBER SPERLING: Here.

4 BOARD CLERK McREYNOLDS: Ms. Takvorian?

5 BOARD MEMBER TAKVORIAN: Here.

6 BOARD CLERK McREYNOLDS: Vice Chair Berg?

7 VICE CHAIR BERG: Here.

8 BOARD CLERK McREYNOLDS: Chair Nichols?

9 CHAIR NICHOLS: Here.

10 BOARD CLERK McREYNOLDS: Madam Chair, we have a
11 quorum.

12 CHAIR NICHOLS: Great. Thank you.

13 Okay. Can we now turn to the consent calendar?

14 The first item that's on consent this morning is
15 Item number 17-3-1, the 2016 Ozone State Implementation
16 Plan for Ventura County.

17 Madam Clerk, has any witness signed up to testify
18 on this item?

19 BOARD CLERK McREYNOLDS: (Shakes head.)

20 CHAIR NICHOLS: No. Are there any Boar members
21 who would like to have this item removed from the consent
22 calendar

23 Seeing none.

24 Then I will close the record on this item.

25 Have all the members had an opportunity to review

1 the resolution?

2 VICE CHAIR BERG: Chair, I move to adopt Agenda
3 Item 17-3-1.

4 BOARD MEMBER BALMES: Second.

5 CHAIR NICHOLS: All in favor, please say aye?
6 (Unanimous aye vote.)

7 CHAIR NICHOLS: Any opposed?
8 Okay. Thank you.

9 CHAIR NICHOLS: Then we will move to our second
10 consent item, 17-3-2, which is the 8-hour Ozone Attainment
11 Plan FOR San Diego County.

12 Madam Clerk, have any witnesses signed up to
13 speak on this item?

14 BOARD CLERK McREYNOLDS: No.

15 CHAIR NICHOLS: No.

16 Any Board members who would like to see this
17 removed from the consent calendar?

18 Then seeing none, again we'll close the record
19 and ask for a motion and a second.

20 VICE CHAIR BERG: Madam Chair, I move to adopt
21 Agenda Item 17-3-2.

22 BOARD MEMBER RIORDAN: Second.

23 BOARD MEMBER BALMES: Second.

24 CHAIR NICHOLS: All right. We have several
25 seconds.

1 Again, all in favor, please signify by saying
2 aye?

3 (Unanimous aye vote.)

4 CHAIR NICHOLS: Any opposed?

5 Any abstentions?

6 Okay. Great.

7 Then we begin the work that will occupy us for
8 some time here this morning, two items which are closely
9 related to each other, the 2016 Air Quality Management
10 Plan for ozone and PM2.5 for the South Coast Air Basin,
11 and the Coachella Valley, and the Revised Proposed 2016
12 State Strategy for the State Implementation Plan.

13 Taken together, the South Coast Air District
14 measures in their 2016 AQMP, and the ARB measures for
15 mobile sources in the State strategy represent a
16 comprehensive action plan for meeting federal air quality
17 standards for ozone and fine particles over the next 15
18 years.

19 While the South Coast is one of the two extreme
20 nonattainment areas in the nation, the actions of our two
21 agencies have produced significant air quality
22 improvements. Today, over 40 percent of residents in
23 now live in communities that meet the current ozone
24 standards, so we're getting close to half of our folks
25 being able to breathe air that is officially defined as

1 being healthy, and our levels of fine particles have
2 dropped by over 50 percent since 2001.

3 However, that still represents quite a lot of
4 work left to be done. The Clean Air Act has been the key
5 driver for this progress, and the resulting health
6 benefits cleaner air provides. At the same time,
7 California's economy has continued to grow and prosper.
8 And job growth in the State has outpaced the national
9 rate. Yet, there's still more work to be done. And
10 between ARB and the District, we have major work as well
11 as federal action needed to reduce emissions that will
12 also be critical.

13 ARB will continue to work with the new
14 administration to ensure that California continues to move
15 towards clean air. Mr. Corey, would you please introduce
16 these two items?

17 EXECUTIVE OFFICER COREY: Yes. Thanks, Chair
18 Nichols. Earlier this month, the South Coast Air District
19 adopted the 2016 AQMP, a multi-pollutant strategy to
20 reduce ozone and PM2.5 pollution in the South Coast and
21 Coachella Valley.

22 The 2016 AQMP demonstrates attainment of the
23 latest 8-hour ozone standard of 75 parts per billion in
24 the South Coast and Coachella Valley, as well as
25 attainment of the annual and 24-hour PM2.5 standards in

1 the South Coast.

2 Development of the attainment strategy in the
3 AQMP was a collaborative effort between ARB and the
4 district. Over the last two years, staff of the two
5 agencies worked together to map out the State mobile
6 source measures, district measures to support development
7 of cleaner mobile technologies, and local district
8 measures for stationary sources.

9 Staff will first cover the AQMP to provide the
10 overall context for the needed reductions and to describe
11 local district measures for stationary sources, and the
12 district mechanisms to support development of cleaner
13 technologies.

14 Staff will then turn to the State mobile source
15 strategies to describe the State SIP Strategy, the
16 proposed measures, and the legal commitment to achieve the
17 emission reductions from mobile sources, fuels, and
18 consumer products.

19 Scott King will provide the staff presentation on
20 AQMP followed by Kirsten King Cayabyab who will cover the
21 State SIP Strategy for mobile sources. Both Scott and
22 Kirsten are in the Air, Quality, Planning and Science
23 Division.

24 Scott.

25 (Thereupon an overhead presentation was

1 presented as follows.)

2 AIR POLLUTION SPECIALIST KING: Thank you, Mr.
3 Corey. Good morning, chair Nichols and members of the
4 Board.

5 If I can have the second slide.

6 --o0o--

7 AIR POLLUTION SPECIALIST KING: Today's
8 presentation will cover both the South Coast Air Quality
9 Management Plan, and the State SIP Strategy. The State
10 SIP Strategy is key component of plans for meeting air
11 quality standards in both the South Coast and the San
12 Joaquin Valley.

13 I'll begin the presentation with an overview of
14 the process developing a State Implementation Plan, or
15 SIP, and explain how the elements discussed today fit
16 together. I'll also present staff's assessment of the
17 South Coast 2016 Air Quality Management Plan, or AQMP.

18 Kirsten Cayabyab will continue the presentation
19 with an overview of the State SIP Strategy, along with
20 staff recommendation.

21 --o0o--

22 AIR POLLUTION SPECIALIST KING: A SIP is required
23 by the Clean Air Act, and serves as the framework for
24 actions to meet federal health based air quality
25 standards. It includes a comprehensive scientific and

1 technical foundation that provides the basis for the
2 emission control strategy for the region. The SIP
3 consists of multiple elements starting with air quality
4 data to establish the scope and nature of the air quality
5 challenge.

6 Next, the emissions inventory provides a
7 comprehensive accounting of the sources that contribute to
8 the air quality problem, air quality modeling, which
9 integrates air quality and emissions data along with
10 weather patterns, predict future air quality, and identify
11 the magnitude of the emission reductions needed for
12 attainment.

13 These technical elements inform development of
14 the necessary control strategy. Clear deadlines, as well
15 as evaluation of technical feasibility and costs also
16 guide the development of the control measures.

17 Finally, the SIP provides California's
18 commitment, enforceable in court, to undertake the actions
19 needed to implement the strategy.

20 --o0o--

21 AIR POLLUTION SPECIALIST KING: Today, the Board
22 will consider both the South Coast AQMP and the State SIP
23 Strategy. The air district SIP elements are developed at
24 the regional level. Under State law, ARB is charged with
25 the overall responsibility for meeting the requirements of

1 the Clean Air Act. That includes review of the local SIP
2 elements to determine if they meet requirements of State
3 and federal law. If ARB determines that they meet those
4 requirements, then ARB submits them to EPA for its review.

5 The AQMP approved earlier this month by the South
6 Coast board provides the technical foundation for the
7 overall control strategy. The AQMP also includes local
8 measures for stationary sources and complementary efforts
9 to help achieve reductions from mobile sources. In
10 parallel, the State SIP Strategy provides a statewide
11 framework for measures to reduce emissions from mobile
12 sources, fuels, and consumer products. Together, these
13 two planning efforts comprise a comprehensive SIP, which,
14 if adopted, will be submitted to EPA.

15 --o0o--

16 AIR POLLUTION SPECIALIST KING: With that in
17 mind, I'll now provide an overview of the South Coast's
18 2016 AQMP.

19 --o0o--

20 AIR POLLUTION SPECIALIST KING: The South Coast
21 District is responsible for air quality planning in both
22 the South Coast air basin and the Coachella Valley. The
23 AQMP serves as a roadmap for meeting air quality standards
24 in these two regions. Today's AQMP builds upon the
25 success of previous planning efforts in protecting the

1 health of nearly 17 million residents who live in the
2 region. With its health-based air quality standards,
3 meaningful deadlines, and requirements for comprehensive
4 plans, the Clean Air Act has been the basis for the
5 success.

6 As we move forward, meeting the standards
7 addressed in the AQMP will provide significant health --
8 future health benefits, including approximately 1,600
9 premature deaths avoided each year and over 200,000 lost
10 work and school days from polluted-related --
11 pollution-related illnesses. The district has estimated
12 this represents about \$173 billion in cumulative health
13 benefits by 2031.

14 --o0o--

15 AIR POLLUTION SPECIALIST KING: As shown in this
16 slide, the AQMP is a comprehensive plan for meeting
17 multiple -- sorry -- for meeting multiple -- yeah.

18 As shown in this slide, the AQMP is a
19 comprehensive plan for meeting multiple air quality
20 standards over the next 15 years. It includes current
21 planning requirements for the 8-hour ozone standard of 75
22 parts per billion with an attainment date of 2026 in the
23 Coachella Valley, and 2031 in the South Coast, as well as
24 the annual PM2.5 standard of 12 micrograms per cubic meter
25 in the South Coast with an attainment date of 2025.

1 The plan also addresses progress towards
2 attainment of earlier ozone and PM2.5 standards that have
3 not yet been achieved with attainment dates between 2019
4 and 2023. The AQMP's integrated framework provides an
5 effective process to coordinate planning efforts for these
6 multiple standards.

7 --o0o--

8 AIR POLLUTION SPECIALIST KING: As a result of
9 ongoing control programs, ozone and PM2.5 levels have
10 shown significant improvement. This slide highlights the
11 progress in reducing ozone over the past 25 years. The
12 highest values are shown in dark red with the two green
13 colors representing attainment of the 75 part per billion
14 standard.

15 As shown in the map at the top of the slide, in
16 1990, the entire region recorded ozone levels above the 75
17 part per billion standard, and peak levels were nearly
18 twice the standard. Today, as shown in the map at the
19 bottom left, peak concentrations of decreased
20 approximately 45 percent. And 40 percent of the residents
21 now live in communities that meet the standard.

22 By 2031, the AQMP will provide for attainment of
23 the 75 part per billion standard throughout the region
24 illustrated in the map at the bottom right.

25 These actions will also result in significant

1 progress towards the next health-based ozone standard
2 established by EPA of 70 parts per billion shown in the
3 darkest green on the map.

4 --o0o--

5 AIR POLLUTION SPECIALIST KING: As I discussed
6 earlier, solid science is the basis for determining the
7 region's attainment needs, and also developing the most
8 effective control of approaches. Decades of field
9 studies, air quality monitoring, and peer-reviewed
10 research have improved our understanding of air quality in
11 the South Coast region.

12 Over the past two years ARB and District staff
13 have collaborated on updating the air quality modeling
14 platform to reflect the latest science and EPA modeling
15 guidance. The results of this work have demonstrated the
16 effectiveness of control strategies and the need for
17 significant NOx reductions to meet ozone and PM2.5
18 standards.

19 --o0o--

20 AIR POLLUTION SPECIALIST KING: Meeting the
21 ozone standards will require a 70 percent reduction in NOx
22 emissions from today's level by 2023, and then 80 percent
23 reduction by 2031, as indicated by the blue arrow in this
24 chart. This will require comprehensive efforts, including
25 current control programs, and new actions to deploy even

1 cleaner technologies.

2 Current control programs provide the majority of
3 reductions shown as the solid green for ARB measures and
4 solid orange for the district measures. New ARB and
5 district actions then provide the remaining reductions
6 shown in the corresponding striped portions of the bars.
7 These actions also provide for attainment of the PM2.5
8 standards.

9 --o0o--

10 AIR POLLUTION SPECIALIST KING:

11 Over the next few slides, I'll highlight the
12 scope of district actions contained in the AQMP.

13 The district has committed to a suite of new
14 measures to transform stationary sources. These efforts
15 focus on transitioning to cleaner energy sources, such as
16 electrification, fuel cells, and solar for commercial and
17 residential sources, as well as increasing energy
18 efficiency.

19 In addition, the District Board committed to
20 sunset the RECLAIM program, a move to -- a move to direct
21 regula -- regulatory approach to achieve further
22 reductions.

23 --o0o--

24 AIR POLLUTION SPECIALIST KING: RECLAIM is a
25 market-based trading program for large industrial

1 facilities, such as refineries and power plants. These
2 facilities represent the largest source of NOx emissions
3 from stationary sources in region. In December of 2015,
4 the District Board adopted amendments to the RECLAIM
5 program designed to achieve additional NOx reductions.

6 Following your Board's direction, ARB staff
7 reviewed the changes and identified concerns regarding the
8 adequacy of the amendments to meet minimum control
9 requirements specified in State law. Staff shared its
10 findings with the district last year.

11 The District Board now has taken formal actions
12 to sunset the RECLAIM program. This will include
13 initiating a rulemaking process to transition the program
14 to an individual rule-based regulatory -- regulatory
15 system and accelerating further five tons per day of NOx
16 reductions from 2031 to 2025.

17 ARB staff believes the adopted actions resolved
18 the issues raised in our review, and we will continue to
19 work with the district as they develop a replacement
20 program. The transition to individual rules will maximize
21 the potential for direct reductions to address both
22 regional attainment needs and localized impacts in
23 disadvantaged communities.

24 --o0o--

25 AIR POLLUTION SPECIALIST KING: The AQMP also

1 reflects a partnership between the district and ARB to
2 transform the mobile sector. While ARB measures establish
3 the core standards for cleaner technologies, the district
4 has identified complementary measures to help implement
5 the State SIP Strategy. These measures play an important
6 role at the local level, and include both facility-based
7 measures, and incentive programs.

8 The facility measures address ports, warehouses,
9 and railyards. Over the next year, the district will be
10 working with local stakeholders to develop voluntary
11 commitments to achieve reductions from these facilities.
12 The district board further directed staff to prepare a
13 rulemaking package for a facility-based measure for
14 airports by February 2019. ARB staff must be an active
15 participant in those efforts to ensure timely development
16 of effective approaches.

17 ARB also has a critical role as part of our work
18 to deploy the technologies called for in the State SIP
19 Strategy, and implementation of the Sustainable Freight
20 Initiative.

21 The district has identified specific milestones
22 for development of these measures, and has included a
23 commitment to report back to the their board within one
24 year. If sufficient progress has not occurred, district
25 staff will identify specific actions and initiate

1 rulemaking. ARB staff will also provide a report back to
2 this Board within one year with a specific assessment of
3 progress and potential further actions.

4 Finally, the AQMP also includes a suite of
5 incentive-based measures that are intended to support the
6 accelerated introduction of cleaner technologies in
7 parallel with ARB efforts.

8 --o0o--

9 AIR POLLUTION SPECIALIST KING: Development of
10 the AQMP was a multi-year effort with extensive
11 stakeholder input involving District Board member
12 committee meetings, workshops, advisory committee
13 meetings, and individual stakeholder discussions. This
14 progress has resulted in a comprehensive strategy that
15 identifies a clear pathway to attainment of all of the
16 ozone and PM2.5 standards.

17 It reflects a combination strong regulatory
18 actions, which provide approximately 70 percent of the
19 needed reductions, coupled with programs to incentivize
20 the early deployment of the cleanest technologies.

21 Funding for incentive based programs and
22 development of other initiatives -- innovative mechanisms
23 will be essential to accelerate this technology
24 development. To support this effort, the district has
25 developed a Financial Incentives Funding Action Plan.

--o0o--

AIR POLLUTION SPECIALIST KING: ARB staff has worked with the South Coast to define technology and funding needs and have estimated that sustained funding levels of approximately \$1 billion per year through 2031 will be needed. The funding plan identifies a broad spectrum of new funding opportunities and actions, as well as a number of guiding principles. These include building partnerships and coalitions, a priority of recovering costs from polluted -- pollution sources, maximizing reductions in disadvantaged communities, and ensuring criteria pollutant co-benefits from climate and energy efficiency investments

The district is creating a stakeholder working group to help implement the funding plan. ARB will continue to collaborate with the South Coast, as well as play a key role in implementing State level efforts, such as the Sustainable Freight Initiative and the ZEV Action Plan. South Coast's funding efforts will also be coordinated with those of the San Joaquin Valley, as there synergies in bringing clean technologies to both regions.

--o0o--

AIR POLLUTION SPECIALIST KING: In addition to attainment -- to the attainment demonstration, the AQMP addresses all other Clean Air Act requirements. These

1 elements are fundamental to an effective planning process,
2 and ensuring ongoing progress. They include requirements
3 for comprehensive emission inventories, control measure
4 demonstrations, and contingency provisions should progress
5 milestones or the attainment demonstration not be met.

6 Transportation conformity budgets ensure that
7 transportation plans and project are consistent with the
8 AQMP, and offsets must be in place for any growth in
9 emissions due to vehicle miles traveled.

10 I'll now turn it over to Kirsten Cayabyab to
11 discuss the State SIP Strategy.

12 Kirsten.

13 --o0o--

14 AIR POLLUTION SPECIALIST CAYABYAB: Thank you,
15 Scott. As Scott noted earlier, the responsibility for the
16 SIP development is shared between ARB and the districts.

17 Sorry, could we get the next slide, please.

18 Thank you.

19 --o0o--

20 AIR POLLUTION SPECIALIST CAYABYAB: The State SIP
21 Strategy reflects the State's commitment to address
22 emissions from mobile sources.

23 --o0o--

24 AIR POLLUTION SPECIALIST CAYABYAB: And the next
25 slide as well.

1 Thank you.

2 I'd like to start by framing the importance of
3 the strategy. Given the significant contribution of
4 mobile sources to the formation of ozone, PM2.5, diesel
5 particulate matter, and greenhouse gases, the Mobile
6 Source Strategy, shown in the center of the slide,
7 represents an integrated plan to help meet California's
8 air quality, climate, and risk reduction goals.

9 The Mobile Source Strategy is providing a
10 framework to link multiple ARB planning efforts. Each
11 plan shown on the chart draws elements from the Mobile
12 Source Strategy to meet individual goals.

13 For example, the short-lived climate pollutant
14 plan, that you will be considering later today,
15 incorporates actions that reduce black carbon. Today, we
16 are focused on the proposed SIP Strategy highlighted
17 within circle which introduces the elements of the Mobile
18 Source Strategy needed to meet air quality standards.

19 --o0o--

20 AIR POLLUTION SPECIALIST CAYABYAB: The SIP
21 Strategy provides California's legal commitment to take
22 action on a comprehensive set of measures to achieve
23 emission reductions from mobile sources, as well as
24 consumer products. These measures establish cleaner
25 engine standards, introduce ZEV technologies, ensure

1 engines remain clean, support demonstration and pilot
2 projects, and accelerate deployment of the cleanest
3 technologies through incentive programs. These actions
4 provide ARB's commitment to achieve emission reductions in
5 the South Coast and the San Joaquin Valley.

6 --o0o--

7 AIR POLLUTION SPECIALIST CAYABYAB: Today's item
8 is the culmination of an extensive public process. Staff
9 first released the proposed strategy last May and has
10 since hosted a number of public workshops on various
11 elements of the strategy, in addition to participation in
12 district workshops.

13 Last September, we provided you with an
14 informational overview of the strategy. In response to
15 Board and public feedback, we released the revised version
16 of the strategy being considering today.

17 --o0o--

18 AIR POLLUTION SPECIALIST CAYABYAB: Comprehensive
19 technology assessments have provided the basis for
20 measures included in the strategy. These assessments have
21 demonstrated the next generation of cleaner technologies
22 is here today, and identified which technologies are at a
23 suitable stage of development to support regulatory
24 approaches.

25 ARB also continues to fund pilot and

1 demonstration projects to advance cleaner technologies in
2 other sectors. These projects will support identification
3 of future regulatory measures as additional technologies
4 mature.

5 --o0o--

6 AIR POLLUTION SPECIALIST CAYABYAB: In the next
7 section of the presentation, I'll highlight several key
8 elements of the SIP Strategy. Because heavy-duty trucks
9 are the largest source of NOx emissions in both the South
10 Coast and the San Joaquin Valley, the strategy contains an
11 integrated set of measures that define a cohesive
12 multi-level approach to reducing emissions from trucks.

13 These measures capture all aspects of the overall
14 SIP Strategy approach from cleaner engine standards,
15 in-use emissions, to enhanced ZEV deployment through
16 initial regulatory measures and demonstration studies.

17 --o0o--

18 AIR POLLUTION SPECIALIST CAYABYAB: Combustion
19 technologies, especially for larger trucks will continue
20 to play a role in the near future. Therefore the proposed
21 new low NOx truck standards are a critical component of
22 the strategy, which calls for Californian and federal
23 action to establish standards that are effectively 90
24 percent cleaner than today's standards.

25 As this chart shows, because interstate trucks

1 account for a large portion of truck activity in the South
2 Coast, federal action, in parallel with California action,
3 is essential to achieve our overall emission targets for
4 this sector.

5 In October 2016, the Board also approved the
6 Innovative Technology Certification Flexibility
7 Regulation, which is designed to streamline the
8 introduction of the cleanest technologies.

9 --o0o--

10 AIR POLLUTION SPECIALIST CAYABYAB: To ensure
11 that engines operate cleanly over their useful life, the
12 strategy also includes actions to enhance in-use
13 performance and decrease engine deterioration. This will
14 include amendments to revise the current opacity limit,
15 amend the warranty, useful life, and durability
16 provisions, and revise in-use testing protocols, ensuring
17 a comprehensive heavy-duty vehicle inspection and
18 maintenance program.

19 --o0o--

20 AIR POLLUTION SPECIALIST CAYABYAB: To complement
21 measures for cleaner engine standards, the strategy calls
22 for introduction of ZEVs into initial vocations, including
23 last mile delivery fleets and airport shuttles. These
24 applications are well suited to ZEVs due to their smaller
25 size and shorter distance traveled.

1 ARB staff is initiating a stakeholder working
2 group to begin development of the last mile delivery
3 measure. This will consider purchase and manufacturer
4 requirements, as well as the role of advanced technology
5 provisions and incentives.

6 The zero emission shuttle bus measure has also
7 been enhanced to reflect consideration of other heavy-duty
8 airport vehicles, such as fixed route vehicles entering or
9 exiting the airports, and airport owned operational and
10 maintenance vehicles.

11 --o0o--

12 AIR POLLUTION SPECIALIST CAYABYAB: The last
13 elements of the integrated truck strategy, includes
14 actions to achieve sufficient penetration of cleaner
15 trucks to meet attainment standards. These will include
16 incentive programs, new regulations, increasing system
17 efficiencies, and emerging technologies, such as
18 intelligent transportation systems and autonomous and
19 connected vehicles.

20 --o0o--

21 AIR POLLUTION SPECIALIST CAYABYAB: In response
22 to ongoing discussions with transit agencies, we have also
23 expanded the scope of actions related to transit. The new
24 innovative clean transit measure will consider the entire
25 transit system, including light rail and first and last

1 mile shared economy services, to provide a long-term
2 vision for transitioning to zero emission technologies.

3 This will include near-term deployment of zero
4 emission buses where the economics are currently viable,
5 collaborating with transit agencies, and piloting
6 innovative approaches. These efforts will also ensure
7 that approaches support Sustainable Community Strategies
8 and maintain service to people with limited transportation
9 options.

10 --o0o--

11 AIR POLLUTION SPECIALIST CAYABYAB: For passenger
12 vehicles, the strategy includes a mesh to ensure the
13 continued expansion of the passenger ZEV market beyond
14 2025, while also increasing the stringency of fleet-wide
15 emission standards.

16 The mid-term review, which you will be hearing
17 about tomorrow, reaffirms that feasibility of current
18 standards and sets the stage for continuing to expand
19 ARB's passenger vehicle programs.

20 The program will consider a number of elements,
21 including addressing differences in upstream emissions
22 from fuels, structuring emission standards in order to
23 accelerate the penetration of ZEVs, expanding ZEVs into
24 heavier passenger vehicle applications, and leveraging
25 partnerships, including those with Section 177 states in

1 order to maximize the cost effectiveness of our
2 regulations.

3 --o0o--

4 AIR POLLUTION SPECIALIST CAYABYAB: As our
5 technology assessments have shown, including the mid-term
6 review near zero and zero emission technologies are
7 available now, and offer significant emission reduction
8 benefits. California will therefore move forward on
9 development of new vehicle standards for passenger
10 vehicles and heavy-duty trucks, as well as expanded ZEV
11 requirements.

12 ARB staff has been working with EPA over the past
13 two years, and the South Coast and San Joaquin Valley Air
14 Districts have submitted petitions on the need for federal
15 low NOx standards for trucks.

16 Last December, EPA acknowledged the need for
17 federal action and announced it would initiate the work
18 necessary to begin rulemaking efforts. ARB will continue
19 to call on U.S. EPA to move expeditiously in supporting
20 clean vehicle standards, and expects to work with the new
21 administration to defend our clean air policies. Our
22 partnerships with other states will be critical to
23 reinforce the need for national action.

24 --o0o--

25 AIR POLLUTION SPECIALIST CAYABYAB: I'll now

1 describe the benefits of the SIP Strategy in the South
2 Coast and the San Joaquin Valley.

3 --o0o--

4 AIR POLLUTION SPECIALIST CAYABYAB: As Scott
5 discussed in the beginning of the presentation, the
6 strategy is designed to provide ARB's commitment to
7 achieve all of the emission reductions from mobile
8 sources, fuels, and consumer products needed to meet air
9 quality standards in the South Coast.

10 The graphic on the left illustrates that
11 reductions anticipated in each mobile sector. Given the
12 maturity of on-road programs, and ARB's greater regulatory
13 authority, the strategy will decrease NOx emissions from
14 passenger vehicles and trucks approximately 85 percent.

15 These combined efforts are a testament to the
16 success of ARB programs for on-road vehicles. Measures to
17 achieve significant reductions for off-road sources, such
18 as locomotives, forklifts, and other off-road equipment
19 are also key elements.

20 --o0o--

21 AIR POLLUTION SPECIALIST CAYABYAB: Moving next
22 to the San Joaquin Valley, last summer, the Board approved
23 the valley's ozone plan for meeting the 75 parts per
24 billion standard. While the current control program is
25 sufficient to meet the valley's ozone attainment needs,

1 the SIP Strategy provides additional reductions to
2 accelerate ozone progress. The valley's key challenge is
3 meeting PM2.5 standards over the next decade, and we are
4 continuing to work with the district to define needed
5 strategies.

6 --o0o--

7 AIR POLLUTION SPECIALIST CAYABYAB: Last October,
8 the Board tabled considerations of the valley's PM2.5 SIP
9 for the 12 Microgram annual standard, and directed staff
10 to conduct outreach to identify opportunities for
11 additional near-term reductions from both stationery and
12 mobile sources.

13 Since the October meeting, ARB and the districts
14 have conducted workshops and additional discussion with
15 stakeholders to support development of a comprehensive
16 PM2.5 strategy for meeting multiple standards.

17 Based on the diversity of sources that contribute
18 to PM2.5, meeting the standards will require further
19 reductions from both stationary and mobile sources.

20 Staff has included -- staff has identified a
21 series of principles to guide the effort, including the
22 need to consider opportunities to achieve multiple
23 benefits, reducing localized exposure to air toxics,
24 enhancing ozone progress, prioritizing for near-term
25 reductions, and maximizing co-pollutant reductions for

1 climate pollutants, such as black carbon.

2 Measures that reduce directly emitted PM2.5 for
3 example are one of the most effective approaches to
4 achieving near-term progress, and can also reduce black
5 carbon and localized exposure.

6 --o0o--

7 AIR POLLUTION SPECIALIST CAYABYAB: Continued
8 reductions from mobile sources will play an important
9 role. As shown at the graph on the right, current control
10 programs, coupled with new measures in the SIP Strategy,
11 will provide nearly 170 tons per day of NOx reductions by
12 2025. These reductions will accelerate ozone progress and
13 serve as a downpayment on the reductions needed to meet
14 PM2.5 standards.

15 Existing incentive programs will also provide
16 further benefits. The dotted line reflects ARB staff's
17 initial assessment of further reductions needed based on a
18 science-based evaluation examining a balanced portfolio of
19 actions to reduce both direct PM2.5 and NOx.

20 The district is conducting its own attainment
21 modeling, based on what it believes are the limited
22 feasible reductions achievable from sources it regulates.

23 As a result, their estimates place a much more
24 substantial burden on the mobile sources than ARB staff is
25 current estimating. We will continue to work with the

1 district and other stakeholders to determine the finally
2 mission reduction needs, and additional strategies,
3 including funding mechanisms to accelerate deployment of
4 cleaner mobile source technologies.

5 Staff will bring a commitment for the additional
6 mobile source reductions needed for attainment as part of
7 the comprehensive PM2.5 SIP this fall.

8 --o0o--

9 AIR POLLUTION SPECIALIST CAYABYAB: So to bring
10 all the pieces together, what is the Board considering
11 today?

12 --o0o--

13 AIR POLLUTION SPECIALIST CAYABYAB: First,
14 adoption of the State SIP Strategy will create a
15 commitment for new emission reductions by the attainment
16 deadline specified for each area. The proposed
17 implementation schedule identifies the timing to bring
18 each measure to the Board, or otherwise take action, as
19 well as initial implementation dates.

20 The second component of the commitment is to
21 achieve the total aggregate emission reductions necessary
22 to attain the federal air quality standards from existing
23 control programs and new measures.

24 Finally, the SIP Strategy also includes a
25 commitment to achieve the reductions needed in the South

1 Coast by accelerating the penetration of advanced
2 transformational technologies beyond the pace of natural
3 turnover.

4 --o0o--

5 AIR POLLUTION SPECIALIST CAYABYAB: Ongoing
6 tracking and reporting of progress will be critical to the
7 success of the AQMP. Both ARB and the South Coast will
8 assess progress in securing funding and quantify the
9 emission benefits of other complementary programs. ARB
10 staff will also directly engage in the development of
11 South Coast's facility-based measures. As part of these
12 efforts, staff will report back to you annually on
13 progress, which will include recommendations for
14 neither -- needed further actions.

15 Staff will also pursue demonstration and pilot
16 programs and identify opportunities for additional
17 regulatory measures as these technologies become
18 commercially and economically viable.

19 Finally, staff will work with EPA to ensure that
20 reductions from incentive programs are appropriately
21 incorporated into the SIP.

22 --o0o--

23 AIR POLLUTION SPECIALIST CAYABYAB: To meet the
24 requirements of CEQA, staff completed a draft
25 environmental analysis, or EA, for the proposed SIP

1 Strategy. The strategy will provide significant air
2 quality, energy, and climate benefits. Although the draft
3 EA identified potential indirect environmental impacts,
4 staff expects that these indirect impacts will be
5 short-term in nature and address through individual
6 project level mitigation requirements.

7 Staff has prepared written responses to all of
8 the comments received on the EA, and has provided the
9 final EA and written responses to the Board for
10 consideration. These documents were also released to the
11 public in advance of today's hearing.

12 --o0o--

13 AIR POLLUTION SPECIALIST CAYABYAB: In
14 conclusion, staff recommends that the Board take action
15 today as follows:

16 First, certify the environmental analysis of
17 State SIP Strategy.

18 Second, approve our State commitment to take
19 action on the proposed measures according to the defined
20 schedule and to achieve the aggregate emission reduction
21 commitments by specific dates.

22 Third, provide contingent approval of the San
23 Joaquin Valley 2025 commitments, pending an additional
24 public review period.

25 And finally, adopt the South Coast 2016 AQMP, and

1 direct the Executive Officer to submit it to EPA for
2 inclusion in the SIP.

3 This concludes the presentation. We will be
4 happy to answer any questions from the Board.

5 CHAIR NICHOLS: Thank you.

6 Are there any questions before we begin. We have
7 about 40 witnesses who've signed up to speak this morning.
8 I want to make sure that people know that we have with us
9 sitting as a Board member, as a Governor's appointee to
10 this Board, a member of the South Coast governing board,
11 Judy Mitchell. And we have present with us a number of
12 staff from the air district as well, who will be available
13 if we have questions or need to hear from them further.

14 But otherwise, I think we should probably just
15 begin and move directly into the testimony.

16 So let's begin with Dr. Phillip Fine.

17 This is a system that's new to us too. Yes, you
18 can come right up to the front here.

19 Thank you.

20 DR. FINE: Thank you, and good morning, Chairman,
21 members of the Board. My name is Phillip Fine. I'm the
22 Deputy Executive Officer at South Coast Air Quality
23 Management District for the Planning and Rules Division.
24 I've been working on this plan for well over three or four
25 years.

1 And this AQMP for the South Coast and Coachella
2 Valley is the result of over three years of a
3 comprehensive, transparent, and inclusive public process.
4 And your staff, ARB staff has been with us every step of
5 the way. It's been a truly collaborative partnership,
6 both for the South Coast AQMP, but also for the State SIP
7 Strategy that you just heard about.

8 And we really appreciate the effort and the close
9 relationship between the two agencies, and as well as our
10 relationship with SCAG in development of the AQMP. And we
11 do pledge to continue this relationship as we move forward
12 in implementing these plans with frequent updates on
13 progress between the staff and participation in each
14 other's public processes as we go forward.

15 So as you heard, the primary goal of this AQMP is
16 to meet clean air standards and protect public health,
17 including ensuring health benefits to our disadvantaged
18 communities and our environmental justice communities here
19 in the South Coast.

20 And enhanced analysis this year, demonstrated
21 that these communities will benefit most from the actions
22 laid out in this plan. And so I want to highlight three
23 major elements of the plan. You've heard a little bit
24 about this from your staff, that I'd like to highlight
25 though that will help us achieve these goals.

1 First, this plan includes strong and aggressive
2 stationary source measures across all sectors and all
3 types of equipment, including our largest facilities, our
4 RECLAIM facilities, by which we have additional emission
5 reduction commitments as you heard, and a commitment to
6 sunset the program and return to a more command and
7 control regulatory structure.

8 Second, in addition to mobile source measures
9 that you've heard about in the State SIP Strategy, our
10 plan locally includes a specific process to help implement
11 those emission reduction commitments that are being made
12 by the State locally, through identifying enforceable
13 mechanisms and actions to reduce mobile source emissions
14 at facilities in the basin, such as ports, warehouses,
15 railyards, et cetera.

16 And third, while past AQMPs have delayed
17 addressing some of the tough issues and big questions by
18 reliance on the so-called black box, this plan provides an
19 honest assessment with specific technological pathways to
20 attainment and the associated costs. And part of that are
21 significant incentive programs will be needed. But we can
22 design those incentive programs to help small businesses
23 and residents that are least able to afford equipment
24 upgrades.

25 Finally, all of these significant actions and

1 other actions in the plan that I didn't talk about will
2 lead us to our most important goal, which is to protect
3 public health, especially in our most impacted communities
4 here in the South Coast.

5 Thank you.

6 CHAIR NICHOLS: Thank you. Any questions for Dr.
7 Fine?

8 Okay. You'll be available, if we need you.

9 DR. FINE: Yes.

10 CHAIR NICHOLS: Great. Jennifer Shipman.

11 You can just come on. You don't need me to call
12 on you. I just do it, because it gives me something to
13 do.

14 (Laughter.)

15 MS. SHIPMAN: You have enough to do. I'm sure.

16 Good morning, Chair Nichols and Board members.

17 My name is Jennifer Shipman. And I am the executive
18 director for the Manufacturers Council of the Central
19 Valley. Thank you very much for allowing me to comment
20 today on the SIP, most specifically the Mobile Source
21 Strategy and how it impacts the San Joaquin Valley.

22 Fortunately though for the San Joaquin Valley, we
23 have a history of success when battling some air --
24 significant air quality challenges. And 2016 was a great
25 year. We had the cleanest year on record for PM2.5, and a

1 near record clean ozone year. And that just continues to
2 demonstrate the tremendous progress with respect to air
3 quality throughout the valley.

4 But this success is largely due to the
5 investments and process improvements that have been made
6 by stationary sources. Since 1990, the industry's
7 financial investment and engineering of new technologies
8 to run extremely clean and efficient processes have
9 produced real and tangible results.

10 Valley food processors and manufacturers, for
11 example, have invested billions of dollars to -- to
12 achieve reductions.

13 They've reached 90 percent fuel efficiency in
14 natural gas boilers. Those emit zero PM. They've
15 electrified equipment, utilized solar technology. They've
16 lowered NOx, SOx, CO2, VOC, sulfur emissions, and they're
17 compliant with some of the most stringent regulations in
18 the country.

19 I mention these points just to preface this
20 statement. The San Joaquin Valley Air Pollution Control
21 District has very few ways left to pick the stationary
22 low-hanging fruit.

23 Our district could virtually eliminate all
24 stationary sources, industry, commerce, agriculture, and
25 all of its residents, and they would still not meet the

1 newest suite of PM2 -- PM regulations or the standards.
2 Eighty-five percent of our district's issues come from
3 mobile sources.

4 So I ask your Board to take the time to further
5 consider the State's Mobile Source Strategy in light that
6 the District's modeling of the emissions that need to be
7 achieved are significantly higher than what ARB's modeling
8 is showing by over 100 tons per day, and it doesn't
9 achieve the reductions in time to meet the federal
10 standards.

11 So I implore your Board to take a deeper look
12 into the District's modeling and to delay the adoption of
13 the State's source strategy in the SIP, until the fall
14 when the District's PM2.5 attainment strategy is fully
15 defined, and the proper ARB commitments can be included.

16 Action today will tie the hands of the San
17 Joaquin Valley Air Pollution Control District, and it will
18 devastate the San Joaquin Valley.

19 Thank you very much for this opportunity to
20 comment.

21 MS. NEVITT: Hi. Good morning, Madam chair,
22 members of the Board. I'm Lauren Nevitt, Environmental
23 Affairs Manager, for SoCalGas. I'm here today to speak on
24 the State SIP Strategy.

25 SoCalGas agrees with the State SIP Strategy's

1 focus on accelerating mobile source NOx reductions. The
2 single most impactful strategy for reducing mobile source
3 emissions is to incentivize the deployment of near zero
4 heavy-duty trucks that are commercially available today.
5 We expect additional near zero natural gas engines to be
6 available by 2018, all of which will meet ARB's low NOx
7 standard.

8 These next generation heavy-duty natural gas
9 engines are the most cost effective solution to help meet
10 our air quality and climate change goals. They reduce NOx
11 emissions by 90 percent, and when used with renewable gas,
12 these near zero engines can reduce greenhouse gas
13 emissions by 50 to 80 percent further.

14 To that end, we support a federal low NOx
15 standard for heavy-duty trucks. And SoCalGas supports the
16 development of performance-based standards, not technology
17 mandates.

18 The Innovative Clean Transit Measure must be
19 flexible enough to allow transit fleets to deploy advanced
20 technologies in a way that is synergistic with operations.

21 Similarly, the zero emission shuttle bus measure
22 should take feasibility and operational concerns voiced by
23 the airports into account. We recognize that the SIP does
24 a lot for the South Coast. We also urge ARB to work
25 closely with the San Joaquin Valley APCD to develop

1 enforceable commitments from mobile source reductions, as
2 it has done with the South Coast AQMD.

3 While South Coast AQMD has a mere five years to
4 demonstrate attainment with -- for the next federal ozone
5 standard, San Joaquin Valley APCD has even less time to
6 attain the fine particulate matter standard by 2019.

7 We support adoption of the State SIP Strategy as
8 proposed by staff. And SoCalGas looks forward to
9 continuing to collaborate with ARB and the air districts
10 in pursuit of SIP implementation.

11 Thank you for your time.

12 MR. COLEMAN: Good morning, Madam Chair and
13 members of the Board. My name is Curt Coleman. I'm the
14 Executive Director of the Southern California Air Quality
15 Alliance, which is a trade association whose members
16 include aerospace, manufacturing, utilities and others.

17 I'm here today to request that your Board adopt
18 the -- or approve the air quality management plan that is
19 before you from the South Coast Air Quality Management
20 District.

21 We went through extensive, as Dr. Fine mentioned,
22 years and years of development of this plan. We went
23 through a long public hearing process a couple of months
24 ago. We would have preferred that the plan had been
25 adopted by the AQMD Board as proposed by staff. There

1 were some significant amendments that I think a number of
2 people would characterize as improvements in the plan. We
3 would characterize it as removing some flexibility.

4 But this is a very good plan, even with the --
5 let me just say to back up for a minute. We continue to
6 have concern with indirect source rules. And one of the
7 measures -- one of the amendments in the plan did include
8 an indirect source provision for the staff to begin
9 development of an indirect source measure for
10 consideration by the Board affecting airports.

11 We continue to believe indirect source measures
12 are not very effective and have severe economic impacts to
13 the region, and that there are much more effective ways of
14 achieving emission reductions, such as the Mobile Source
15 Strategy, and the stationary source strategies that are in
16 the plan that directly affect emission sources.

17 So having said we would have preferred the plan
18 that was proposed by the staff that was an amendment --
19 was not attended. We are here to support the plan that is
20 before you even with those amendments. And we believe it
21 is a good plan. It has gotten rid of all of the emissions
22 in so-called black box. We don't have to rely on future
23 control measures to be identified. They're all there.
24 And we need to get this adopted and start implementation.
25 And we will continue to work with you and the district

1 staff to implement this plan and bring clean air to the
2 region.

3 Thank you.

4 CHAIR NICHOLS: Thank you, Mr. Coleman. Excuse
5 me. Before you leave, I am going to ask you a question,
6 and I'd be interested in your views.

7 Obviously, a number of the people who are here
8 oppose adoption of the plan for different reasons. But as
9 a former -- you are a former chief counsel for the
10 district, and I know you've lived through several
11 iterations of AQMPs --

12 MR. COLEMAN: Since 1979, yes.

13 CHAIR NICHOLS: -- as have I.

14 MR. COLEMAN: Yes.

15 CHAIR NICHOLS: So I'm asking for your thoughts
16 about what are the consequences of not having an approved
17 plan?

18 MR. COLEMAN: Oh. Well, they can be very severe.
19 I mean, the worst case scenario is we'll have
20 transportation funds withheld, we'll have grant monies
21 withheld, we'll have the federal government decide they
22 know how to fix the problem better than we do, and propose
23 a federal implementation plan.

24 And I think the progress that we've made in this
25 region since you and I first started in the middle

1 seventies has been tremendous, and it's a testament to the
2 local district -- districts and the Air Resources Board
3 working together to deal with mobile sources and
4 stationary sources in an effective way. And I would
5 really hope that that can continue.

6 CHAIR NICHOLS: Thank you.

7 MR. ROTHBART: Good morning, Madam Chair and
8 Board members. I'm David Rothbart. I'm representing the
9 Southern California Alliance of Publicly Owned Treatment
10 Works. And my members are primarily public entities that
11 operate wastewater treatment plants, public water systems.
12 So we're essential public services.

13 And to echo a lot of what Curt just said, we're
14 here to support the AQMP as presented to you. That
15 doesn't mean we are happy with what's in the plan. It's
16 very restrictive. As operators of stationary sources, it
17 is very, very challenging to meet the standards in the
18 South Coast. And the dynamic in the South Coast is that
19 88 percent of the NOx-forming emissions comes from mobile
20 sources and federal sources. The stationery sources only
21 represent 12 percent of the emissions, and we're very well
22 controlled.

23 As an essential public service, that is trying to
24 generate biogas that will help out this Board as far as
25 reducing greenhouse gases, the technology needed to

1 operate in South Coast is very challenging to have that
2 work reliably. And our mission is to make sure we keep
3 sewage out of the streets, and make sure water continues
4 to flow. That's what our members do.

5 So I just wanted to say that please keep in mind
6 this is a very, very restrictive plan. If there's any
7 push to have it more restrictive, that will have a lot of
8 impacts to essential public service -- excuse me,
9 essential public services.

10 One example of that is the public fleet
11 requirements put into this plan, which we're very
12 concerned about and makes it much more challenging for us
13 to maintain our public services in an emergency.

14 Nevertheless, we're supportive of the plan that
15 is presented to you and urge you to approve it as
16 presented to you.

17 Thank you very much.

18 CHAIR NICHOLS: Is Josephine Young here?

19 And after -- excuse me, just one second.

20 After Ms. Young testifies, I'm going to call on
21 the San Joaquin Valley APCD. They came after we had to
22 put the list together. But as the agency that's
23 affected -- as one of the two -- one of the agencies
24 that's affected by our decision, we'll call on them next.

25 Thank you.

1 MS. YOUNG: So my name is Josephine Young. I'm
2 with CCAEJ, and I'm here to cede my time to Penny Newman.

3 CHAIR NICHOLS: Okay.

4 MS. NEWMAN: I know there had been arrangement to
5 try and limit the amount of time, so we wanted to do kind
6 of an overview be me and then allow the residents to have
7 their time, so we've got a couple who are ceding time.

8 Thank you.

9 I'm a little -- good morning to all of you.

10 CHAIR NICHOLS: Hi.

11 MS. NEWMAN: Welcome to Riverside County, and the
12 home of your new ARB lab coming up. So we're really
13 pleased to have you all here. I'm a little disappointed
14 that our other EJ seat appointee is not here, Dean Florez.
15 It's really important to us to have the voice of these
16 communities present and involved.

17 This past year has taught us much. The residents
18 of our region searching for solutions for dirty air that
19 is suffocating our communities know they can no longer
20 rely on the federal government. That's the elephant in
21 the room here, and I think we need to acknowledge it.

22 We learned a couple weeks ago that we can no
23 longer trust the South Coast AQMD to seriously address
24 this issue either. They have presented a plan to you to
25 adopt that has no teeth and relies on the good intentions,

1 warm fuzzy feelings, and generous heart of an industry
2 that has demonstrated time and again its lack of caring
3 for our well-being.

4 Rubbing salt in the wound, the plan calls upon us
5 to be taxed to pay the polluters to stop killing us.
6 They've outlined potential funding measures that include a
7 \$20 additional vehicle registration fee, gasoline tax
8 increase, property tax increase, and sales tax add-ons.

9 So if I'm to understand correctly, ARB is going
10 to vote to accept this plan, which means you are voting to
11 place these taxes upon the people you are supposed to be
12 protecting. This plan will tax the residents to create a
13 pot of funds to give to the logistics industry for things
14 they could and should be doing right now as responsible
15 companies.

16 For our communities, this is unconscionable.
17 Some people living near these facilities make an annual
18 household income of less than \$10,000. We hear from
19 families that their personal choices aren't whether to buy
20 a hybrid car or a funny looking light bulb, but whether
21 they should buy their child's asthma medicine or put food
22 on the table for the rest of the family, and this plan
23 wants them to pay.

24 I think that this plan doesn't pass the giggle
25 test. I don't think there's a person in this room that

1 believes you can go to the legislature and get a
2 two-thirds vote to increase the taxes on the people of
3 California. Even worse, I don't think there's a person in
4 this room that would believe you're going to go to the
5 federal government and get billions of dollars to pay for
6 this. These incentives is what this plan is based on, and
7 it's based on nothing.

8 So that leaves you. CARB, you are our last hope
9 for reason and compassion. Your decisions will dictate
10 whether we have clean air to breathe or whether we
11 continue for the next 15 years to suffer under this
12 horrendous pollution burden, indeed whether we will live
13 or die.

14 Delaying action will only make more people
15 suffer, and you know the facts: 5,000 people die each
16 year of the air they breathe, 12 to 15 people each day.
17 And you know this.

18 You know that despite the alternative facts
19 spewed out by John Hughes and our local industry
20 economist, and regurgitated by some of our local elected
21 officials, warehouses don't bring middle class jobs. They
22 are temporary jobs paying barely minimum wage in an
23 industry rampant with wage theft.

24 A lot of the AQMD board members commented that
25 they didn't want to do regulations because they were

1 afraid the industry would leave the area and we'd lose
2 these jobs, these good paying jobs.

3 You know that while logistics industry is touted
4 as the fastest growing jobs sector, they are crappy jobs,
5 and unsafe conditions. From the Claremont McKenna College
6 to the Brookings institute and others, they point out that
7 while it may be bringing numbers of jobs, they do not pay
8 well. The result is our poverty rates continue to rise,
9 and the prosperity of our region continues to slump.

10 We are a population of working poor, and the
11 inevitable transmission to automation means that even
12 these crappy jobs will be eliminated in the next five
13 years.

14 From our perspective, there is only one choice,
15 to modify the plan, so that you enact a serious
16 comprehensive plan that will lead to compliance and save
17 lives. We ask that you strengthen the AQMP by using
18 indirect source authority to control pollution from large
19 freight sources like ports, railyards, and warehouses, to
20 push for zero emission technology deployment and forget
21 these near zero alternative technologies.

22 Investing in technologies that are half
23 effective, when you can invest in those that are fully
24 effective delays our ability to truly get where we want to
25 be.

1 The decision, the responsibility, and ultimately
2 the blame will fall on you today. We ask that CARB be
3 courageous, that you do your job. There's a lot of people
4 counting on you.

5 Thank you.

6 (Applause.)

7 MR. GILL: Good morning, Madam Chair, members of
8 the governing Board. My name is Sheraz Gill. I'm the
9 Director of Strategies and Incentives at the San Joaquin
10 Valley Air Pollution Control District. Thank you for
11 allowing me to come here, and put me ahead of the schedule
12 here.

13 As you know, we've had a great public process
14 thus far with multiple public workshops in the San Joaquin
15 Valley, and public advisory work group meetings with a
16 whole host of people that are involved, a lot of
17 stakeholders. And I want to thank ARB and their staff for
18 working very closely with us through this entire process.
19 The process is going really well. At your October
20 meeting, your Board committed to identifying additional
21 mobile source measures to ensure that enough NOx emission
22 reductions are available to help us attain these very
23 stringent PM2.5 standards.

24 The district is committing to developing our own
25 strategy, as you know, and coming up with enough emission

1 reductions from stationary sources, and we have already
2 developed a list of those measures and shared it with the
3 public ARB, and will continue to do so with the public
4 process, as we have multiple more public workshops that we
5 plan to schedule

6 Through our planning process, we have found that
7 even after considering a lot of directly emitted PM2.5
8 measures, significant NOx emission reductions are still
9 needed to come into attainment. We are a little
10 disappointed that today's proposal does not include any
11 added measures for the Valley, essentially that the Mobile
12 Source Strategy is the same document that was released in
13 May 2016.

14 However, we are pleased by the commitment that
15 has been made that the Mobile Source Strategy that is in
16 front of you today is a down payment and that ARB will
17 return to your Board with further reductions prior to us
18 coming up with our PM2.5 plan, which will be heard in
19 August of 2016.

20 We are a bit worried if -- that if we just
21 piecemeal this for later action, we may lose the energy
22 and attention that the valley deserves. So our
23 preference, if at all possible, is to table action and
24 approve it together in the next couple of months when our
25 plan is due in August.

1 However, if that is not possible, we still
2 appreciate the commitment that is made today to return
3 back to your Board with a strategy of real reductions for
4 the valley in the 2019 to 2025 time frame, prior to or
5 when the District's PM2.5 plan is presented. We ask that
6 your Board adopt that commitment as part of approving that
7 plan. Thank you so much for your time.

8 CHAIR NICHOLS: Thank you. Dr. Sperling has a
9 question --

10 MR. GILL: Sure.

11 CHAIR NICHOLS: -- or a comment.

12 BOARD MEMBER SPERLING: Am I on?

13 You said that you would like to see additional
14 mobile source measures. What exactly are you talking
15 about?

16 MR. GILL: So there's a -- so we need massive NOx
17 reductions. We're talking about, you know, over about 100
18 tons of reductions that are needed. We're talking from
19 light-duty vehicles, light heavy-duty, medium heavy-duty
20 heavy heavy-duty trucks, ag equipment, off-road,
21 locomotives. We need it from the whole suite of the
22 mobile source.

23 Now, we believe regulations alone are not
24 sufficient to achieve these reductions. The emission
25 reductions that we need are significant, and they're in a

1 short time frame. Unlike South Coast who has till 2031 to
2 come into attainment with their ozone standard, our
3 attainment deadline is 2019 for the first -- for the 2006
4 PM2.5 standard.

5 So it's abundantly clear without significant
6 increase in funding or incentive-based measures,
7 attainment will not be possible. So we will leave it up
8 to ARB how to determine what -- you know, whether it's an
9 incentive based strategy or a regulatory approach, but
10 those are the areas where we would need to get significant
11 reductions from.

12 BOARD MEMBER SPERLING: Thank you.

13 CHAIR NICHOLS: Thank you. Okay.

14 MR. GILL: Okay. Thank you.

15 CHAIR NICHOLS: Paul Cort.

16 MR. CORT: Good morning. My name is Paul Cort
17 I'm an attorney with Earth Justice. I'm here this morning
18 to ask the Board to disapprove the State strategy, because
19 it is not a credible plan for meeting the ozone standards
20 in the South Coast, and will also set up the San Joaquin
21 for failure when it comes to the PM2.5 standards.

22 The South Coast AQMP relies on the State
23 Strategy. And the State Strategy relies on finding
24 billions of dollars that do not exist, and federal
25 regulations that are not coming.

1 Contrary to what you heard in the staff's
2 presentation this morning, staff have not identified
3 control measures necessary to reduce emissions to attain
4 the ozone standards in South Coast. Over 90 percent of
5 this strategy relies on a black box of measures to be
6 determined. Even the specific commitments in this plan
7 are unenforceable, because there is no commitment that any
8 of these rules will reduce any amount of emissions.

9 What is particularly disturbing about this
10 strategy is how inconsistent it is with our fights at the
11 national level right now. California leadership has said
12 that we will fight efforts to weaken national ozone
13 standards, and yet our own agencies are refusing to adopt
14 the control measures that are necessary to meet those
15 standards.

16 California leadership has said we will fight
17 efforts to weaken our bedrock environmental laws like the
18 Clean Air Act. And yet, this plan relies on legal
19 arguments that stretch the flexibilities of the Clean Air
20 Act to the point that it's planning obligations become
21 meaningless.

22 We get that the challenges are great, but we need
23 to recognize how we got here. The 80 part per billion
24 standard that we know have only six years to attain in the
25 South Coast was adopted by EPA 20 years ago. South Coast

1 still violates the 1-hour ozone standard adopted by EPA in
2 1979. Why?

3 Because of plans like this that kick the can down
4 the road that everyone knows will fail. It is time to
5 stop. Stop delaying regulatory measures, stop adopting
6 plans that are deliberately unenforceable, stop hiding
7 behind legal arguments that weaken statutory requirements.

8 We need to stop and start over with a new plan
9 that finally takes seriously the obligation to clean our
10 air and protect public health.

11 (Applause.)

12 CHAIR NICHOLS: Ericka Flores.

13 MS. FLORES: Good afternoon. I just want to
14 address before I speak that Italia Garcia was one of the
15 speakers and her name was crossed out, but is -- is there
16 a reason for that? I think Penny -- okay. Sounds good,
17 yeah.

18 CHAIR NICHOLS: We didn't cross them out.

19 MS. FLORES: Sorry. Good afternoon. My name is
20 Ericka Florez I'm a community resident in the west side of
21 San Bernardino. Welcome all of you to our Riverside
22 region.

23 The reason for today is because -- that I'm going
24 to be speaking on is I live very close to the railyard,
25 and I want to paint you a very clear picture of what it's

1 like to live near an industry. I actually want to invite
2 all of you to come over, if you'd like, and spend the
3 night at my house for as long as you'd like to have a
4 clear experience of what the industry is not telling you.

5 So I'm not going to use fancy words today. Okay.
6 I'm just going to tell you clear and loud what it's like.
7 The industry does not respect communities that live near
8 their sites, especially -- now, who are those communities?
9 Communities of color, predominantly Latino communities,
10 communities who are economically vulnerable.

11 I want to let you know that for us to even be
12 here today having to pressure this Board to do the right
13 thing, and introduce and implement stronger regulations is
14 a travesty. This should not -- this song and dance
15 between AQMD and CARB, and please do the right thing, and
16 please we need to breath clean air. We are tired of doing
17 this.

18 This should -- we are in a state of emergency.
19 When our community members move into the inland region,
20 they don't move out here because we want to be near the
21 mountains, to be quite frank with you, because if you want
22 to do that, you move up to the -- to Big Bear. And a lot
23 of times those communities are expensive.

24 So these communities move out here because this
25 is all we can afford. And upon moving here, we're found

1 that we then get asthma, cancer. We don't have the money
2 to go to a doctor, and then we have to sit here and tell
3 you to help us out. I want to urge you today. I want to
4 urge you to consider what it's like for those who live
5 near the industry.

6 The industry does not care for the public. The
7 industry does not care for our children. The industry
8 does not provide the jobs to working women and men. And
9 those jobs are not good paying jobs. Technology is moving
10 fast, and these jobs are not going to benefit my mom, my
11 dad, my brothers, and my sisters.

12 So for all of you who are here in support of
13 clean air and want clean air, I want to ask you to please
14 stand up.

15 (Thereupon Ms. Florez spoke in Spanish.)

16 (Thereupon audience members stood up.)

17 MS. FLORES: Look at all these people right here,
18 representing hundreds and even thousands of people who are
19 asking, not -- demanding for you to do the right thing.
20 Communities of color, people who care, do you think that
21 we don't work today?

22 People had to ask for time off. You see the
23 children here, bringing their kids here because they care
24 that much.

25 Do the right thing. Thank you.

1 (Applause.)

2 MR. O'DEA: Chair Nichols, members of the Board.
3 My name is Jim O'Dea. I'm at the Union of Concerned
4 Scientists. And we share the concerns that the State
5 Implementation Plan is missing major elements, and many of
6 those elements don't go far enough to protect public
7 health.

8 And my comment today is that it doesn't have to
9 be this way. We have solutions. We have zero emission
10 technologies that are here and ready. And so, you know,
11 despite all the leadership that ARB and California have
12 shown over the years to develop these technologies,
13 sometimes we have to be reminded from the outside of how
14 far we've come and how far we can go.

15 And the example I want to share with you today
16 came from a few weeks ago. King County Metro, the transit
17 agency -- the major transit agency in the Seattle area
18 released a report concluding that by 2034, they can
19 transition their entire 1,400 bus fleet to zero emission
20 vehicles. That means by 2020, just a few years from now,
21 every bus they will purchase will be a zero emission
22 electric bus. So if there's not a better statement of
23 where the technology is than that, I don't have one.

24 And, you know, of course, California transit
25 agencies have also been doing an excellent job in adopting

1 clean technologies, Long Beach Transit, where Senator
2 Lara's district is; Foothill transit, just down the road
3 of course.

4 And so I call attention to this King County Metro
5 Transit Agency report, not because it's transit agency,
6 not because it buses, and we definitely support public
7 transit, but because this is a large bus fleet. It's the
8 second largest bus fleet on the west coast. Only L.A.
9 Metro has a larger bus fleet.

10 And when a fleet of this size and fleet operators
11 that are in charge of managing this size of a fleet can
12 make -- can come to the conclusion that they can make this
13 transition, it speaks to other sectors of medium-, and
14 heavy-duty vehicles that we're trying to get to zero
15 emission.

16 So I really just want to conclude that there's a
17 lot of gaps to be filled in the plans that were presented
18 today, and the technology is here, and we can get there,
19 we can fill these gaps with your leadership.

20 (Applause.)

21 CHAIR NICHOLS: Thank you. We agree.

22 Okay. Ada Trujillo.

23 THE TRANSLATOR: I'm going to provide
24 translation. Can her time be doubled for that to happen?

25 CHAIR NICHOLS: We always give extra time when

1 there has to be translation, so yes.

2 THE TRANSLATOR: Thank you.

3 MS. TRUJILLO(through translator): Good morning.
4 My name is Ada Trujillo. I'm a mother of three kids. I'm
5 here worried about my children. And they are really good
6 students, and I do as much as possible to help them for
7 their future. My daughter is in third grade. She goes to
8 school in Ramona Alessandro Elementary School in San
9 Bernardino right close to where they live. And when she
10 goes out to recess, sadly she sees this area where they
11 store so much natural gas. She also sees the rail yard
12 that also has trucks going in and out, and she sees the
13 fumes that go into the air that we breathe.

14 A couple of -- well, some years ago, the
15 University of Loma Linda did a health study. And at that
16 time, my son was at that elementary school. And this --
17 the result -- that study said that 47 percent the students
18 at Ramona Alessandro had asthma. So a lot of the children
19 have to learn how to use that inhaler, right, to control
20 their asthma.

21 As it is, our community has little resources, and
22 we feel forgotten, and you want to impose taxes on us? I
23 drive a car because I need to take my kids. When my
24 little girl was little, I used to take the bus whether it
25 was raining, whether it was sunny, didn't matter. I was

1 in that bus. So she drives the car, her husband drives
2 the car, and now you're imposing a 20 increase on the
3 vehicle license fee. And she knows that many have to be
4 able -- have to be able to drive cars, so that's imposing
5 on them.

6 CHAIR NICHOLS: I'm going to have to interrupt
7 you for a moment. Also, you're almost out of time, even
8 at double time.

9 We're not imposing any fees on anybody. No one
10 has said that we are about to ask for or impose a fee. We
11 don't have the power to do it. We can't do it, as Board,
12 and we haven't indicated any willingness to do that.

13 I just want to make it clear to people here, I
14 think someone has taken something out of a list of
15 possible ideas that has been put together as part of a
16 financing plan and suggested that that was what was
17 actually going to happen. And I can assure you, this is
18 not something that we have ever thought about, talked
19 about, or have any intention of doing.

20 So please, I need to assure you that this is not
21 something -- I can't prevent you from speaking, and I
22 don't want to prevent you from speaking your concerns, but
23 I also don't want you to go away from here or sit here
24 thinking that this is something that is actually being
25 proposed, because it's not.

1 MR. TRUJILLO(through translator): She's saying
2 that, yeah, them as being the most impacted, they
3 shouldn't be.

4 CHAIR NICHOLS: Yes, I quite understand.
5 Our Board Member De La Torre has asked to speak.
6 I'm sorry. I should have --

7 BOARD MEMBER DE LA TORRE: (Spoke in Spanish.)

8 MS. TRUJILLO(through translator): Again, the
9 reason she's here is it's affecting --

10 BOARD MEMBER TAKVORIAN: My microphone is on.
11 That's why. So I just want to clarify is my understanding
12 is your.

13 CHAIR NICHOLS: Your mic is not on either.
14 Something is wrong here.

15 THE TRANSLATOR: Can I translate what she -- or
16 can she say what she just said?

17 CHAIR NICHOLS: Let her finish, please. Okay.

18 MS. TRUJILLO(through translator): And so again
19 she said if you're saying that you're not going to raise
20 the taxes on us, good. That's great, because I'm here for
21 the future of my kids. I'm here for their health, and
22 this is why I'm here, protecting them.

23 Thank you.

24 CHAIR NICHOLS: Thank you very much.

25 (Applause.)

1 BOARD MEMBER TAKVORIAN: Can I just get
2 clarification --

3 CHAIR NICHOLS: So may I just say, we would have
4 had -- we would have had a translator here if we had had a
5 request to have one. I don't know what fell through the
6 cracks, but we always ask for a translator if there's a
7 request for that to happen. We're very lucky that we have
8 on our Board people who can do that for us.

9 All right. I'm going to now recognize Ms.
10 Takvorian.

11 BOARD MEMBER TAKVORIAN: Thank you. Sorry for
12 the interruption. I just wanted to clarify that my
13 understanding is that the funding plan is part of the
14 AQMP, and that the public is testifying in regards to that
15 plan and the State SIP. And so shouldn't everything in
16 those plans be part of the consideration that they have
17 the right to testify about, and we should be considering?

18 Because if that plan is viable, it's viable based
19 on what the funding action plan is that they're putting
20 forward. I recognize we don't have the taxation
21 authority. We wouldn't -- you know, the Chair is
22 absolutely right we can't do that, but we can say, yes, we
23 think you have a good plan, or no, we don't think so. We
24 don't think this is a good idea or that it will be viable,
25 successful.

1 So I guess I'm -- I just want to get some
2 clarification about that, that we don't have the
3 authority, but we do have the authority to say, yes, this
4 is a good idea or no, it isn't.

5 CHAIR NICHOLS: May I ask the ARB staff first to
6 address this issue. And then if necessary, the South
7 Coast, because it's not my impression that we are
8 approving their funding plan. I share your concerns about
9 whether it's viable plan or not.

10 BOARD MEMBER TAKVORIAN: Okay. Thank you.

11 DEPUTY EXECUTIVE OFFICER KARPEROS: Chair
12 Nichols?

13 CHAIR NICHOLS: Yes.

14 DEPUTY EXECUTIVE OFFICER KARPEROS: Chair
15 Nichols, over here. Kurt --

16 (Laughter.)

17 CHAIR NICHOLS: There. Hi.

18 DEPUTY EXECUTIVE OFFICER KARPEROS: Kurt
19 Karperos. I'll attempt to answer you question. The
20 funding plan that the South Coast AQMD developed as part
21 of their effort to begin the process for identifying
22 potential sources of incentive funds and to establish a
23 stakeholder group to advocate for those funds is
24 distinctly not part of the AQMD. It has not been
25 submitted to ARB as part of the SIP and is not before you

1 today.

2 BOARD MEMBER TAKVORIAN: But isn't it in their
3 plan?

4 DEPUTY EXECUTIVE OFFICER KARPEROS: It is --

5 BOARD MEMBER TAKVORIAN: Their plan is based on
6 it.

7 DEPUTY EXECUTIVE OFFICER KARPEROS: No, it is
8 not, in fact, as part -- it is not in their plan. It is
9 not part of what the local air district adopted.

10 CHAIR NICHOLS: So you could still think that the
11 plan is meaningless without a funding plan. You know,
12 that's your -- that is a view that one could have it's
13 been -- that has been suggested that to adopt it without
14 that funding plan present means that it's not real or
15 somehow can't happen, but this is a situation that we
16 have. This is not the first time we have found ourselves
17 in this situation, not just with the South Coast, but in
18 general as we strive to meet future standards in an area
19 where we don't always know what the technology is going to
20 be that will actually enable to us meet the goal.

21 Please go ahead.

22 MS. PATLAN(through translator): Good morning.
23 My name is Carmen Patlan, and I live in San Bernardino
24 next to big tanks of natural gas. So this establishment
25 has gas leaks that go up into day and night in our

1 community, and the smell is horrible. And it's -- and we
2 smell it constantly. We can't breathe well, because it
3 smell bad. There's always some type of gas leak and it's
4 just not right.

5 It's not -- it's not just that we live this way
6 and we need -- and please, we need a better way to live in
7 our community. We put our trust in you to help us in our
8 community. Thank you so much.

9 (Applause.)

10 EJAC MEMBER HAMILTON: Good morning, Chair
11 Nichols and members of the board. My name is Kevin
12 Hamilton. I'm with Central California Asthma
13 Collaborative up in The San Joaquin Valley. And I'm a
14 member of your Environmental Justice Advisory Committee.
15 I thank you for allowing me this time to speak today
16 regarding the State SIP and some pieces within it that we
17 find concerning.

18 Thank you for teeing up the funding thing. That
19 was actually my first comment is how are we going to pay
20 for this? So I would suggest that any plan that doesn't
21 include a way to pay for what it wants to do is a
22 defective plan.

23 So on its face -- though I don't live in South
24 Coast anymore, I moved to Fresno from there. And I have a
25 son and some grandchildren there living Gardena. So I am

1 very concerned about what happens in the South Coast.

2 In Coachella Valley where people are experiencing
3 tremendous, tremendous barriers every day to just
4 achieving good health in the face of what we know because
5 of community monitoring projects like Ivan from Comite De
6 Civico and others, that indeed the monitor there does not
7 pick up all the emissions that people are facing locally
8 every day. And they do face higher levels of PM2.5 in
9 ozone than the monitors regularly report. And it is not
10 surprising to us at all. Indeed, the monitors certainly
11 can be anywhere, but we do have to recognize that they're
12 only a small sample.

13 The public health consequences and the physical
14 health consequences specifically of this are well
15 understood. Dr. Balmes, Dr. Sherriffs and others on this
16 Board I'm sure could enumerate those ad nauseam, and I'm
17 glad. We have studies now that have completed after 20
18 and 30 years. That's -- we're patient in medicine. I'm a
19 registered respiratory therapist. I've been working in
20 the research area of that for quite a number of years.
21 And one thing you learn is patience in this business.
22 You're going to have to wait 5, 10, 15, 20 years.

23 Well, we've waited. The information is in. This
24 ozone is a damaging thing to us and our children. It is
25 limiting their expectations to have a great long life. It

1 is decreasing the development of their lungs. This PM2.5
2 is affecting the development of their immune systems in
3 utero. Fetal development of immune systems is being
4 affected by this pollution.

5 We are tasking generations moving forward with
6 our trash. And so I would suggest that expeditious
7 movement forward in cleaning this trash up is the
8 responsibility of this Board.

9 I want to speak specifically to a couple of
10 things nested within there that I think are really
11 important, and specifically for the San Joaquin Valley,
12 though I like to think I'm speaking for all of California,
13 because I do care about the State I live in and the people
14 who live here.

15 When you look at the Mobile Source Rule, which is
16 something the San Joaquin Valley needs desperately. We'll
17 argue with the District back and forth about whether it's
18 two-thirds of the -- I don't I just did four minutes and
19 30 seconds -- two-thirds of the emissions are coming from
20 mobile sources or 80 percent. I'm not going to split that
21 hair.

22 But what I will say is two-thirds are mobile
23 sources. We know that. And the timeline you've got right
24 now within the Mobile Source Plan is not adequate. So
25 advanced clean cars, we need that timeline to move from

1 2026 to 2021.

2 On-road heavy-duty, we need that timeline to move
3 from 2023 to 2019. Medium- and other heavy-duty issues,
4 we need them on track for 2018. That last mile system
5 that you're talking about, which is so integral to our
6 work here in the valley, we need that date moved up to
7 2017. We've got the technology. It's just a matter of
8 having the political will to do it.

9 And I'm looking to you, Senator Lara and the
10 legislature, to give us the bills and the power that we
11 need to do this. We need you to step up. We need you to
12 provide the funding for this, a vehicle to pay for it,
13 because this will be expensive. And we don't need that
14 burden to be laid on specific industry or specific people
15 in our communities, but we need it to be spread around.
16 We understand that it's going to be distributed, and it
17 needs to be fairly. And the people who are producing the
18 most pollution need to pay this price.

19 And so we need you to be brave and step up and do
20 that. We need to see a tax or a fee on vehicles use and
21 road use, so the people pay for the benefit of what they
22 do. I'll pay for it. I know others who will too. It's
23 something that we need, and we need to do it now.

24 VICE CHAIR BERG: Thank you, Kevin. I think you
25 know that we let you go a little longer. And so we

1 really --

2 EJAC MEMBER HAMILTON: I know. Well, I'll be
3 back.

4 (Laughter.)

5 VICE CHAIR BERG: Well, we want you back. And we
6 thank you very much for your testimony.

7 EJAC MEMBER HAMILTON: So help us out there.

8 (Applause.)

9 CHAIR NICHOLS: We get to hear from Mr. Hamilton
10 at the Advisory Committee meetings as well, and he's
11 always eloquent.

12 Mrs. Gordon, hi. So good to see you.

13 MS. GORDON: Hello. Well, good morning, ladies.
14 Hello, Diane. Hello, Mary.

15 CHAIR NICHOLS: We're not used to seeing you in
16 Southern California.

17 MS. GORDON: Well, I'm here.

18 (Laughter.)

19 MS. GORDON: I'm here. If people don't know, my
20 name is Ms. Margaret Gordon. I am a resident of West
21 Oakland. I'm right next door to the Port of Oakland,
22 where we have been doing the same type of fighting for
23 over 18 years to bring air pollution to a certain control
24 within our city.

25 But as for a little history, I have participated

1 in the Goods Movement Action Plan, Health and Oil Policy,
2 the TCRF Funding Development, and we're still here with
3 these problems. And I'm putting on record also, public
4 record, that we need to have an audit of the TCRF funds.
5 What did it do for or benefit the community if we're still
6 here looking at what's happening -- at what's happening
7 here in Riverside?

8 This is -- this is very shameful, after all these
9 years of doing this work to get here. We're in 2017 and
10 we still got people with asthma and cancers. And I'm
11 really not -- I'm really not seeing -- understanding it.

12 But how I came here to this area was I took the
13 bus and the train, so I could see a bigger picture of
14 what's happening. There is -- there is no way that this
15 community should be impacted the way it is with all these
16 different businesses that are impacting the community.
17 This is very shameful.

18 And also, I understand that you want to put 75 --
19 75 to 85 thousand electric cars. You need 75, 80 thousand
20 electric cars just in this one community, if you want to
21 combat the pollution changes. So let's be for real, and
22 let's get it right one time.

23 I hope in my -- my next life, I will get to see
24 it. I'm 70 years old. I know I will not get to see all
25 of it here, but you need to do a much better job.

1 Thank you.

2 (Applause.)

3 REVEREND EARL: Ms. Margaret is a very tough act
4 to follow.

5 (Laughter.)

6 REVEREND EARL: I'm Reverend Earl --

7 MS. GORDON: Yes, I am.

8 (Laughter.)

9 (Applause.)

10 REVEREND KOTEEN: I'm Reverend Earl Koteen. And
11 I am with the Sunflower Alliance. And we're usually
12 wrestling with BAAQMD not down here at South Coast, but
13 we're also part of a California Cleaner Freight Coalition.

14 As you can imagine, when you go to seminary, you
15 read a lot of scripture. And no matter how many times
16 I've read the Ten Commandments, there isn't one that says,
17 thou shalt not kill quickly, that permits people to be
18 killed slowly, and that's what we're doing.

19 We're poisoning people with bad air, bad land,
20 bad water. We're poisoning people left and right and we
21 know better now. We are in situation like we were in
22 situation like we were a few years ago with tobacco. We
23 have found, we have the evidence that what we are doing is
24 wrong. For a long time, we didn't have the evidence, and
25 we still sometimes don't have causal evidence. We're

1 dealing with epidemiological evidence, but that is
2 certainly adequate.

3 Now, every time I testify before BAAQMD, they
4 keep kicking the ball to you. They say, oh, well, we
5 don't have the authority to shut the proper measurements
6 or we can't do anything that allows us to set meaningful
7 time limits. And that's just unacceptable. You really
8 become part of the process of ecocide. It's beyond
9 genocide. We are making this planet uninhabitable, and I
10 know you know that.

11 The evidence piles up every day. When I started
12 doing this work ten years ago, I would walk in the room
13 and the other ministers would walk out. They didn't want
14 to hear about it. They didn't want to think about it.

15 But every day more and more evidence piles up,
16 and we find out that scientists were not alarmists. In
17 fact, they were overly conservative. So I ask of you
18 today to disapprove of this proposal, because it is -- I
19 have been told by the attorneys, it is unenforceable.

20 Thank you.

21 CHAIR NICHOLS: Thank you.

22 (Applause.)

23 CHAIR NICHOLS: Could I ask folks who are
24 planning to testify if you can look ahead on the list - I
25 think it's put up on the board - and be ready, because

1 we're only at number 17, and we have 65 people who want to
2 speak. So thank you.

3 MS. RODARTE(through translator): Thank you.

4 Good morning. My name is Lorena Rodarte and I
5 live in San Bernardino surrounded by industry. In the --
6 in our community, we have high levels of asthma and
7 cancer. It's not right that we pay for this industry with
8 our health. There's an invitation here for you to come
9 and live with us in San Bernardino so you can know what it
10 feels like to be so close to trucks, so close to sources
11 of contamination. You're invited.

12 Touch your hearts, open your minds, and do the
13 right thing, think about our kids, their future.

14 Thank you so much. I hope you do the right
15 thing. Touch your hearts.

16 MS. HASSON: Hello, Chair. Thank you.

17 My name is Michele Hasson. I represent the
18 Center for Community Action and Environmental Justice.

19 First of all, I'd like to extend the invitation
20 to all the Board members to come and take a tour with
21 CCAEJ, so you can really see what the logistics industry
22 is doing to our communities. These are the refineries of
23 the Inland Empire.

24 But I really want to clarify one point. I don't
25 think the Board can have it both ways. You can't say this

1 is a great plan, we're going to clean up the air, but
2 we're not going to worry about how it's funded. Even
3 though we know that the funding plan is not on the table,
4 you cannot extract the funding from the purported measures
5 of this plan, because it's basic. You can't go to a --
6 you can't make a shopping list, go to the super market,
7 and not have cent in your pocket and say I'm going to
8 figure it out later.

9 And just another point. You know, it seems like
10 you're trading the black box for the green box. It's not
11 acceptable. You can't provide a plan that doesn't work,
12 and I've said this before, because it is still true today.

13 Another thing I really, really want to highlight
14 is indirect source rule. Let's face it, I am sick of
15 alternative facts. I want California to stand up for
16 science and for truth, because the logistics industry they
17 can't go anywhere. They have nowhere to go. They need
18 our freight infrastructure. They're going to stay here,
19 and they're going to keep bringing these low-wage jobs,
20 and their going to keep automating those jobs.

21 So let's face it, it is automation and not
22 regulation. And anything else is an alternative fact, and
23 we should not accept it, nor should this Board.

24 (Applause.)

25 MS. HASSON: We need to ensure that the AQMP

1 has -- and you have the authority to ensure that the AQMP
2 has time-bound metrics. If they claim that our industry
3 is so benevolent and will do everything to clean up and
4 provide us with, you know, middle class jobs, then they
5 have to do it in a very finite timeline with concrete
6 metrics.

7 And if they don't do it, then hey, guys, time is
8 up, regulate, because that's what we do in California more
9 than anywhere else in this country, and that's what we
10 should be proud of. We can enforce and we can clean. And
11 that is our courage. That is what we are asking you here
12 to do, enforce a plan that can be regulated. We are done
13 with incentives, and we are done with alternative facts.
14 It is time to regulate and enforce.

15 Thank you.

16 (Applause.)

17 MR. MAGAVERN: Good morning. I'm Bill Magavern
18 with the Coalition for Clean Air. I think there's no
19 decision that you'll make this year that's more important
20 than this State Implementation Plan, because this is the
21 way that you show that you're finally going to deliver on
22 the long delayed promise of healthy air for all
23 Californians. And we've made a lot of progress thanks to
24 this Board over the years.

25 And this plan has many measures that will help us

1 to move in the right direction. But what the plan doesn't
2 do right now is actually to add up to clean air. And we
3 can and should do better. We certainly report incentive
4 fundings, and we will help to try to secure money for
5 incentives, but we should not bank on billions of dollars
6 that are highly unlikely to actually materialize. We must
7 not replace the black box with an empty wallet.

8 And what we've heard this morning is clearly you
9 have no idea where the money will come from. And there
10 are some ideas on the table. None of them are really --
11 have a clear path to success right now. So it would be
12 great if we had the billions to turn over the fleets more
13 quickly, but we can't gamble the health of our children on
14 that.

15 In addition, we know that we cannot expect a lot
16 of help from the federal government in the next few years,
17 either in the form of money or the federal regulations
18 that we know they should be executing.

19 So ARB needs to do more on mobile sources, and we
20 strongly agree with a the San Joaquin Valley Air Pollution
21 Control District, and that's not something that I say
22 every day. But ARB needs to help the districts by
23 regulating those mobile sources. We know that over 80
24 percent of the air pollution comes from mobile sources.
25 This is the Board that regulates everything that moves,

1 and we need you to do that.

2 We have specific ideas, facility-based standards
3 for freight hubs, moving more quickly and more
4 aggressively on last mile delivery trucks, achieving full
5 compliance with the at-berth standards for vessels, and we
6 know we have now zero emission forklifts. So let's have
7 100 percent for the smaller forklifts by 2030.

8 All of those are measures that your staff are
9 looking at. They've assessed the technologies. We just
10 think you need to be more ambitious and more aggressive in
11 the execution. So you're hearing this morning from almost
12 every public interest group in the State that works on air
13 quality. You've already heard from some of the legends of
14 our movement Penny Newman and Ms. Margaret Gordon.

15 And we're all here to say we can do better, we
16 must do better.

17 Thank you.

18 (Applause.)

19 MS. PORTILLO: Hi. Good afternoon, or -- I don't
20 know, is it morning still?

21 My name is Esther Portillo with the Center for
22 Community Action and Environmental Justice. I am a
23 community organizer. I was raised and born in Los
24 Angeles, and like many families here in California, many
25 of us had to come to the Inland Valley, Inland Empire

1 because housing was much too expensive in Los Angeles as
2 you -- as many of you all know.

3 However, what we found when we came to regions
4 like these where like our city councils and our
5 supervisors -- I've actually been at this county of
6 supervisors many times, because unfortunately we have --
7 in many of our cities, we have people who really don't
8 care about our health. They don't care about the health
9 of people of color, especially in these areas where we
10 still have a lot of people in power that have very
11 conservative views about people of color.

12 And what they have done is they've brought in
13 many industries, one the warehouse industry, to pollute
14 our communities, to give us jobs that exploit us, and they
15 done think that we deserve anything better than that.

16 I actually left the Inland Empire to go -- to
17 find a job, because there was no good jobs here at all.
18 My husband and I we left to New York City. He actually
19 just recently got hired at UCR -- a professor, he's
20 Assistant Professor at UCR, and I work here proudly with
21 the Center for Community Action.

22 But because of this, when we came back, we found
23 ourselves with our family members who have -- are becoming
24 sick. My grandmother just passed away three months ago
25 from cancer, lung cancer. She never smoked a day in her

1 life. She lived in Colton for over 20 years.

2 My nieces, when we came back after these last few
3 years, have asthma. We have seen and increase in -- of
4 respiratory diseases in our community that we have never
5 seen before.

6 I don't know how many cancer clusters or how many
7 deaths in our families, how many asthma attacks we need to
8 have -- we need to show you, so you can make the right
9 decisions. Unfortunately, a lot of our elected officials
10 don't care about our lungs. And I hope that everyone of
11 you do care about our lungs, about the air that we
12 breathe.

13 I'm asking you to do the right thing. You know,
14 I'm ask -- but I really think I shouldn't have to be here.
15 I really think that it should be something that should
16 come natural to you all, and it's very disappointing that
17 we can't even bring signs into this building to put on
18 our -- on our laps, because they're threatened by signs
19 that say, "Clean Air Now". You know, it's really
20 outrageous. No handouts for polluters.

21 And I just want to really call out somebody who
22 was -- actually, the Sheriff was actually really nice that
23 came -- he told us we could bring our signs inside, and we
24 could put them on our laps, and we were fine with that.
25 We were going to have our signs.

1 You know, we have the right to assembly. And he
2 was fine. But when we came, the other Sheriffs started
3 telling us that we couldn't put our signs down. And I
4 just want to call out this person David Clegern, she --
5 he's the Public Information Officer for Climate Change
6 Programs. He was actually very disrespectful. This is a
7 representative of CARB, Office of Communications, and I
8 just really want to really make sure that something is
9 done.

10 This is part of us being able to express
11 ourselves. And I hope that we don't have to come back
12 here. I hope that you make the right decisions.

13 Thank you very much.

14 (Applause.)

15 MS. JONES: My name is Asher Jones. I live in
16 Riverside down the street. I go to Riverside City
17 College. I'm actually a communications major. I'm
18 involved with my student government. I'm actually a
19 senator who advocates for 500 students on their campus.

20 So I know a lot about policy and regulation and
21 metrics and things of that nature, because I've been going
22 to our strategic planning meetings, and I've been learning
23 about that, and what it goes into actually running a
24 facility or a campus.

25 And I know it takes a lot of hard work and

1 dedication, and -- but that's not what I've been seeing
2 from the AQMD, because they haven't been doing the most
3 for our people. They voted for a 12 -- 12 ton NOx RECLAIM
4 instead of 14 ton. This plan allows that 12 ton to come
5 to fruition, so that our people don't get the best air
6 quality that they can.

7 Now, I brought up an orange to be representative.
8 With are California. We have orange groves and things of
9 that nature. This is our legacy. What is your legacy?
10 Are you really going to leave people to die, because they
11 can't breathe? Are you really going to let these cancer
12 clusters that was just spoken about to continue? Are you
13 going to let little babies in utero be born with asthma
14 attacks?

15 We don't need that. Really, you all are up there
16 in the numbers, and so you -- I understand that you want
17 to leave a legacy. Oranges are California's legacy. Your
18 legacy, if you do nothing, if you don't let the regula --
19 if you don't heavily regulate the industries, if you don't
20 do enough, death is going to be your legacy.

21 And it's not just your death, but the death of
22 other folks, people of color, people who are low income
23 families that are by these ports that suffer the most. I
24 live by at least three freeways, so myself, I am in a
25 highly toxic area. When I go outside, I want to take

1 pictures of clear skies. I can't do that because of the
2 smog.

3 I want to take clear pictures of the sky, because
4 I want to post them, and I want everybody to see how
5 amazing and beautiful Riverside is. But Riverside is not
6 beautiful, neither is San Bernardino, and neither is East
7 Coachella Valley, because we don't have these regulations
8 that have teeth.

9 We are giving our polluters the incentive. Now,
10 they can decide to or not to actually do their job when
11 they have incentives. Now, if we regulate, and we put
12 some burden on them, as far as, hey if you're going to
13 pollute this much, we're going to tax you, and we're going
14 to fine you X amount of dollars.

15 And then that actually will make them pay
16 attention, because now their paychecks are being affected.
17 So you see industry behind me with suits and ties. I'm in
18 my regular clothes that I was in from yesterday, because I
19 only got five hours of sleep, because I was working with
20 the Sierra Club's lead organizer to work on this
21 presentation today.

22 And I love that, because I am an advocate for my
23 students and for my community.

24 CHAIR NICHOLS: Thank you.

25 MS. JONES: So you should be the same as well.

1 (Applause.)

2 CHAIR NICHOLS: Thank you.

3 I want to make sure people recognize that when
4 the red light goes on, and you hear the buzzer, it's
5 because your time is up.

6 Thank you.

7 MS. KHAN: Good afternoon. My name is Sadia
8 Khan. I'm a student from San Bernardino Valley College,
9 and I live in downtown San Bernardino. I'm actually here
10 right now missing class to be here to talk to you guys
11 about my health concerns, because right now the plan that
12 you guys have, it might sound great, but the indirect
13 source rule is not great.

14 It's not going to stop the pollution, and it's
15 not going to control the -- it's not going to strengthen
16 our air quality plan. I moved here in 2008, and the only
17 gift that I've gotten from this county is asthma. I now
18 live with asthma, and I lived -- at the age of 12, I had
19 to watch my dad basically sit like a vegetable because of
20 his health.

21 I had to bathe my own father at the age of 12,
22 because he couldn't do that himself, because of the air
23 quality here. And I watched him die at the age 17. He
24 was only 45. That's not very old. That's -- people live
25 to be 80, 90. You guys are much older than my father. My

1 father did not live to see this age. And here I was at 17
2 burying my father because of this air quality.

3 And I'm tired of that, because that's going to
4 happen to me, because now I have asthma after living in
5 this area for eight years. Eight years gave me asthma.
6 Imagine all the people that are born here that have lived
7 their entire lives here. Imagine how much worse their
8 lives are because of what you guys are doing to us.

9 You guys are public servants. It's your job to
10 make sure that we have good air quality, so we can live
11 and breathe in our cities and be able to be proud of being
12 wherever we're from, but instead we're dying.

13 My son cannot go outside without coughing every
14 five minutes. He's probably going to get asthma before I
15 did. He's probably going to be a vegetable before I am.
16 What if I have to bury my son next? Is that what I want
17 to live up to? No. Nobody should have to live for that.
18 Nobody should have to bury their own father and possibly
19 bury their own child because of how bad the air quality
20 is.

21 This meeting was supposed to be held in Colton,
22 but it wasn't. You guys canceled without an explanation.
23 And so here I am in the County of Riverside trying to talk
24 to you guys about these health concerns, because you guys
25 clearly don't care enough. You guys are public servants.

1 Yet, this many members of the community have to come here
2 and tell you you guys aren't doing a good enough job. You
3 guys are being paid to do this. Yet, you guys are letting
4 us die.

5 We -- members of the public have to come, members
6 of the community have to come and tell you guys that you
7 guys aren't doing the right thing. This is your job. You
8 get paid to do it. I'm a member of the community. I have
9 other concerns to deal with, like my health, like my
10 school, like my job, and other things. Yet, here I have
11 to come and tell you how to do your own job.

12 It's really, really sad, and it's pathetic,
13 because so many of us are dying on a daily -- there's so
14 many us in the background that have asthma, that are
15 dealing with other issues. Every member of my family
16 after coming to San Bernardino has gained some sort of
17 health issue, whether it's asthma, whether it's allergies,
18 and we've already had our dad die. How many members of my
19 family need to die before you guys can wake up?

20 Thank you.

21 (Applause.)

22 MR. GARZA: My name is Ruben. I'm from the
23 Eastern Coachella Valley. I'm here to speak for myself.

24 I don't real -- I don't have asthma. I'm
25 actually in the family of people -- only my little brother

1 had asthma. I really don't know what it feels like to
2 live with that type of pain, and I only see it.

3 It's like watching a show that never ends.
4 Something that's never a good show, and it's like -- I'm
5 always looking at it and there's nothing I can really do
6 besides come over here and talk. I don't know if what
7 you're taking is to heart. I don't know what your
8 listening is you're actually listening. And you may give
9 me, eyes, views, attention.

10 But I look at people's eyes all the time. And,
11 to me, personally that doesn't say much. You can open
12 eye, but I need you to open your hearts, because that's
13 something totally different. I really do not -- I hate --
14 I hate it looking at people who are suffering, and I can't
15 do nothing about it. I hate it even more when I know
16 people know that people -- that they're hurting people,
17 not by your own, hands but that you let it happen.

18 You have family of your own and you know that you
19 would do anything to protect them. The community is no
20 different, because we all help each other, whether
21 you're -- whether you know me, and whether I ever see you
22 again does not matter. I will always believe whenever I
23 see or meet a new person that they are good, that there's
24 something good inside them.

25 And if you still have a piece of heart, something

1 that you took this job because you wanted to help
2 somebody, because one person, maybe a whole family, or
3 just one specific person, in general. Just remember that,
4 because these people come here and do the exact same
5 thing, and we do not get paid for it.

6 I will put my whole week, I will put whole month
7 to come here and do this. My birth day was like three
8 days ago, and like I can care less, because I'm putting
9 the people I love first, because they make me happy. And
10 if I see them happy, I'm happy. And I want you to feel
11 the same way, because it's a great feeling.

12 Thank you. Have a great day.

13 (Applause.)

14 CHAIR NICHOLS: Okay. I'm going to try this one
15 more time. I said it before, but maybe -- either people
16 didn't believe me, or I didn't say it clearly. So let me
17 try it again. Would you please look at the list that's
18 been posted, and see where you are on the list, and would
19 at least five people lineup and be ready to speak, so you
20 can come right up to the podium, so we don't need to take
21 a minute or more between each of the speakers.

22 And so some one seems so be marshalling the crowd
23 here. Maybe whoever it is can help with your members of
24 your groups, and just have people waiting, standing up
25 right here, so you can come forward and speak pique when

1 your time comes.

2 You're not Adrian Martinez.

3 MS. SILVA: No, he has given his chance to speak
4 to me.

5 CHAIR NICHOLS: Okay.

6 MS. SILVA: Hi. My name is Joana Silva. I have
7 been a life-long resident of the City of San Bernardino.
8 I grew up in a very impoverished area. My parents were 14
9 years before my little brother came along. We lived in
10 government housing. When my dad got a raise, we decided
11 to move into a house with our dream, a backyard for my
12 little brother to play to get his little goal -- his
13 little soccer field we had there for him.

14 And the only place we could find that was
15 actually within our budget was a mobile home that was
16 right next to the railroad. At first, it was just the
17 fact that we couldn't sleep at night for the first month.
18 No big deal. You get used to it.

19 It wasn't until a few months in that I started to
20 develop more severe allergies, my little brother did too,
21 and so did my mother. We just thought it was maybe the
22 change of the seasons were impacting us, but we didn't
23 really make much deal about it.

24 I wasn't until I started getting sick where my
25 colds were never really hard on me, but my colds became

1 chronic bronchitis. I began to develop severe and chronic
2 migraines, and my little brother is now developing asthma,
3 and my mother is also developing asthma.

4 My father basically has one foot in the grave at
5 this point. And I think about it, and I think of my
6 parents' journey from Mexico to come here to provide me,
7 and my little brother, and all of our family a better life.

8 Now, my both -- both my parents are thinking
9 about going back to Mexico to provide us for better
10 quality, because we cannot afford the care that my -- the
11 medicine my brother requires for his allergies, for his
12 asthma. And we need a better plan for quality -- our air
13 quality, something stronger, something more direct,
14 because it is not fair that at the price of innocent
15 souls, we have to pay for the greed and the pollution of
16 big corporations that are right behind us.

17 I would love to invite you all to my house some
18 day. You can hear the trucks. You can look from our
19 backyard and stand there and you can see the railroad.
20 The trains are always passing by. There's always cars in
21 that area, and you always see the smog.

22 We don't have clouds. We have smog. It's so sad
23 to go outside, and when you breathe in, you don't breathe
24 fresh air, it's bitter. It stings, and it is something
25 that has truly caused, not just great panic to our

1 families there, but it's caused great panic to the doctors
2 that have seen me grow up, and they're telling me how did
3 you let yourself go? What has happened to you?

4 I come to you in hopes that we can all come to
5 common grounds and find a solution to this issue with a
6 stronger air quality plan that will benefit the main
7 people, the people that we are supposed to represent.

8 Thank you.

9 (Snapping.)

10 (Applause.)

11 MS. ADEYEYE: Good morning, Chair Nichols, and
12 members of the Board. Thank you so much for the
13 opportunity to comment todayMy name is Adenike Adeyeye.
14 And I'm a research and policy analyst at Earth Justice.

15 I am here commenting because the state
16 implementation plan, as it currently stands, is
17 intentionally unenforceable. And I say that because it
18 relies on voluntary incentive programs to achieve the
19 emission reductions that California needs to pass an ozone
20 standard that was -- that California needs to meet an
21 ozone standard that was passed in 1997, 20 years ago, and
22 that says nothing of the ozone standards that have been
23 passed since then.

24 The plan assumes that these voluntary programs
25 will be funded by the Trump administration through

1 billions of dollars of federal incentive funding.

2 Honestly, I think we can all agree that this doesn't add
3 up. I don't think we see that as a real option.

4 California leads the nation in innovative
5 solutions to challenging problems, and this is a place
6 where we can be leaders. This is a place where we should
7 be leaders. We need a plan that includes requirements
8 that live up to our reputation, that protect communities
9 that are hardest hit by pollution, as you've heard from
10 everyone who's so eloquently spoken before we, and that
11 help us transition to zero emission technologies.

12 We can definitely do better than this. We can
13 definitely do better than relying on this highly uncertain
14 incentive funding to meet these really important, really
15 critical goals.

16 I ask the Board to direct staff to amend the plan
17 for all the reasons that everyone has said before me, and
18 to include regulations that will set us on a path to meet
19 federal ozone and PM standards and to continue the
20 transition to a zero emission economy. So thank you so
21 much for the opportunity to speak.

22 MR. MARQUEZ: Good morning Chairman, members of
23 the Board. My name is Jesse Marquez. I'm a lifetime
24 Wilmington resident and founder and Executive Director of
25 the Coalition for a Safe Environment, a member of the

1 California Clean Freight Coalition, the Sierra Club, and
2 the L.A Environmental Justice Network.

3 The proposed South Coast AQMP is already a
4 failure, and will not bring us into containment. This
5 year AQMD will be approving the new Carson Wilmington
6 Tesoro Oil Refinery merger, which generate and release 75
7 tons of new VOCs annually into our community's air.
8 That's unacceptable.

9 AQMD has failed to mandate any significant
10 reductions in criteria pollutants, toxic pollutants, and
11 greenhouse gases from the six major oil refineries in the
12 L.A. area. In fact, some emission categories have
13 actually already increased. ConocoPhillips oil refinery,
14 under the criteria PM and SOx has increased in the last
15 five years.

16 Under toxic pollutants, at ConocoPhillips:
17 Benzene, acetylene, naphthalene, perchloroethylene have
18 all increased in the last five years.

19 In the South Coast AQMD, we have Rule 1118, which
20 is the flare reduction rule. There's been no significant
21 reduction in flaring in the last five years.

22 AQMD does not have mandatory use of the best
23 available control technologies. More than 15 years vapor
24 recovery systems have existed and proven to be cost
25 effective and feasible, but they're not mandatory at all

1 major refineries for their storage tank facilities, or any
2 fuel distribution center. Why?

3 That's not acceptable.

4 We have continuously brought up that power
5 failures happen every year at every refinery, yet AQMD and
6 the SIP does not require any back-up power plants to
7 prevent that from happening.

8 There is nothing to mandate the replacement of
9 parts, pipelines, valves and systems according to the
10 manufacturer's specifications or warranties. They wait
11 for the things to break.

12 The ExxonMobil refinery that exploded, you know,
13 two years ago was because of a leak. There was nothing
14 there to detect it. Employees told management. Nothing
15 was done. Yet, it showered toxic heavy metal ash on
16 residents for a mile away.

17 The AQMD does not regulate ships at dock as a
18 stationary source. Each ship puts out two, three tons of
19 pollution every day. Yet, they AQMP and the SIP does not
20 require compliance to the at-berth rule. In January 1st,
21 2014, 50 percent of the ships were supposed to plug in.
22 In January 1st 2017, 70 percent of the ships were to plug
23 in. We're not in compliance to either one of those, and
24 now even have an extension on to top of it.

25 There is also an approved technology advanced

1 maritime emission control technology is a ship emissions
2 capture technologies. It's been tested on over 200 ships.
3 It's CARB certified, and nowhere is it being mandatory to
4 be used, and nowhere has a port purchased one yet in order
5 to do it.

6 CEQA requires the assessment, identification,
7 mitigation of all environmental emission sources. Yet,
8 it's not being done. We have identified port travel desti
9 -- port truck travel destinations, such as emissions from
10 traveling to and from container storage yards, chassis
11 storage yards, truck storage yards, reefer genset storage
12 and repair yards, container fumigation facilities,
13 inspection facilities, gut truck gas stations, truck
14 repair and maintenance. None of these emissions are being
15 tabulated.

16 And we also support the indirect rule to close
17 this gap.

18 Thank you.

19 CHAIR NICHOLS: Thank you.

20 (Applause.)

21 MS. LARIOS: Okay. Now, I'm here as Garciela
22 Larios. I work -- also work with the Center for Community
23 Action and Environmental Justice. And I come fresh, come
24 in yesterday from a planning commissioner meeting in the
25 city of Jurupa Valley, which is not too far from here.

1 We're a baby. We're only sic years old in the State of
2 California. We're one of the brand new baby cities, but
3 we're strong. And we're fighting every day, because as a
4 new city, it wasn't a big celebration because we had to
5 deal with what the county had decided for us.

6 I come to you to tell you that I never thought
7 I'd live to see a day where a developer would come in
8 front of a planning commission and use ARB's land-use
9 guidelines to defend their property to not build
10 residential homes so close to heavy industry, so close to
11 even immediate industrial zoning areas.

12 And I'm hearing this developer and saying, man,
13 he's fighting for his land, and he's also fighting for the
14 lives of the people hopefully, so they don't be so close
15 to that sources of pollution. And I'm thinking we need
16 that. We need that. And it sucks that a develop has to
17 do it to protect his land, but it's an everyday fight.

18 And as community members of Jurupa Valley, and
19 here I am to represent the community of Mira Loma, which
20 is in the City of Jurupa Valley that has been fighting
21 against more construction of warehouses less than those
22 1,000 feet that is the guideline of ARB land use.

23 And we're fighting constantly. And I'm sure to
24 urge you that we need help in that fight. We need a
25 stronger AQMP. We need a stronger ARB. We need a

1 stronger California, because federally we don't have that
2 back-up, right? We need California to stand up.

3 And again, thank you. Welcome to the County of
4 Riverside, and I invite you to come visit and stay with
5 us. Slumber party. It's an invitation, open. Thank you.

6 (Applause.)

7 CHAIR NICHOLS: Thank you.

8 You know, you folks who are younger especially
9 may not be aware of the fact that Riverside was actually
10 the very first area in the country to sue U.S. EPA under
11 the Clean Air Act back in the early 1970s. So this area
12 has actually a very long and distinguished history of
13 having fought for cleaner air and having been responsible
14 for many of the advances that did occur.

15 So it's actually great to see that there's
16 another generation of people from around the Inland Empire
17 area who are once again coming forward to really insist
18 that they have a right to cleaner air. Thank you.

19 MR. LUGO MARTINEZ: Hi. Good morning, Board
20 Chair and members of the Board. My name is Humberto Lugo,
21 I'm with the Komite Civico Del Valle, and a member of the
22 California Cleaner Freight Coalition. And I also lead and
23 coordinate the largest air monitoring community citizen
24 science based project in California on air quality.

25 And we want to, you know, do this kind of work at

1 a community level throughout California. So that's -- you
2 know, my role is I'm on the ground as well with the
3 community members, you know, working with them closely.
4 I'm not just here on the policy, but I'm also on the
5 ground installing these monitors. So I know first hand,
6 what is the impact to our community.

7 And so I'm here on behalf of the Eastern
8 Coachella Valley today. Eastern Coachella Valley still
9 struggles to breath some of the most hazardous air in the
10 basin that is in non-attainment. The issue in eastern
11 Coachella falls off the cliff environmentally, because of
12 the goods movement burning in our communities with diesel
13 pollution and our fossil fuel dependency, not to mention
14 toxic dust storms from exposed playa at the Salton Sea.

15 The Coachella Valley is also home to aerial
16 pesticide spraying, agricultural burning, power plants,
17 hazardous facilities. And in a recent report, South Coast
18 AQMD admits these facilities throughout the basin are
19 discharging far greater amounts of GHG, greenhouse gases,
20 than they are reporting.

21 The Coachella Valley plan recognizes that the
22 primary transporter of ozone and ozone precursors
23 including PM2.5 are from the South Coast Basin, down wind
24 of the San Gorgonio Pass. And additional analysis
25 presented in this plan support these research findings.

1 As shown by pollution rises for Coachella Valley
2 exceedance days, persistent surface winds transport
3 emissions originating in the South Coast into the
4 Coachella Valley.

5 There are currently only three regulatory
6 monitors, and two of them are in the affluent community of
7 Palm Springs, and one in eastern Coachella. But the
8 biggest most harmful source of pollution comes from the
9 ports and warehouses and the trucks that travel back and
10 forth through our communities.

11 We need a stronger action plan to make sure that
12 the facilities and freight system clean up. This is not
13 the first time my colleagues and I have raised these
14 concerns. For years, they have worked on, and requested
15 more robust regulatory agenda to spur zero emission
16 technology -- technological transformation needed to
17 brings us into attainment.

18 For those of us who have been working for days
19 and cleaning up California's air pollution, it is
20 disappointing that we are again considering a plan that
21 all reasonable people know would not work. Attainment of
22 national standards in the South Coast Basin and Eastern
23 Coachella Valley air basins is difficult. Everyone knows
24 that attainment would require transformational change in
25 our use of fossil -- in our use of fossil fuels, but that

1 is why this plan falls so short.

2 We ask the Board to demonstrate courage and to
3 end this pattern of approving deficient plans that have
4 resulted in California being home to one of the most
5 polluted regions in the country. ARB's mission is to
6 promote and protect public health. It knows how deadly
7 our air pollution is, and it knows what is required to
8 protect the public and our community members. We ask the
9 Board to demand a plan that would actually do what is
10 necessary to finally achieve air that is safe for
11 everyone.

12 Thank you.

13 (Applause.)

14 MS. BARRAGAN: Good morning. My name is Marina
15 Barragan. I am from the East Coachella Valley. I've
16 lived there my whole life. I also am an organizer with
17 the Sierra Club My Generation Campaign.

18 Most of my volunteers live in Mecca, which is
19 across the railroad tracks. The East Coachella Valley is
20 90 percent below the poverty level. A lot of groups that
21 help third world countries actually help build
22 infrastructure in the East Coachella Valley because of how
23 low -- how low income folks are.

24 I also live across the railroad tracks in
25 Thermal, California. I, along with these volunteers, wake

1 up 4:30, 5:00 in the morning every month to attend the air
2 quality management district meetings for this specific
3 plan, building up for this specific moment to, like you
4 said, make history.

5 My sister suffers from asthma. Today is her 25th
6 birth day, and I'm standing in front of you instead of
7 spending time with her, because I want to bring her home
8 the best birthday gift ever, what should be a human right,
9 clean air.

10 My four-year old nephew also has asthma. He's
11 the son of my eldest sister. The -- my sister with
12 asthma. And it also goes back and forth between
13 bronchitis. She's my second sister -- second eldest
14 sister.

15 And so I've seen asthma progress in my family.
16 Over a decade ago, I lost an uncle in JFK Hospital with
17 breathing problems. He went in, never came back out.
18 This is my favorite uncle. And I didn't really understand
19 it then, but I started working up to that for this moment,
20 and started learning more about how the air quality is
21 affecting my family directly. I'm seeing it progress. My
22 uncle died.

23 My sister is now 25 with asthma and bronchitis.
24 My mother takes medication to prevent asthma attacks.
25 She -- and she has breathing problems herself. And now my

1 nephew had his first asthma attack and went o the ER
2 January 22nd. I've seen this progress through my family.
3 I don't need more death in my family.

4 The fact that I'm even here to speak on family
5 that has died from air quality is a big deal. We need an
6 indirect source rule. We need clean trucks. And I don't
7 say -- and I'm not saying natural gas, because natural gas
8 is not clean. I always see it on vehicles as I drive --
9 as I'm driving to work, you know, I see it on vehicles,
10 clean natural gas. That's not clean. That's not clean
11 energy.

12 We need to start talking about zero emissions.
13 We -- that needs to be on the table. We have the
14 technology, why aren't we talking about it?

15 One of my volunteers said this before in an AQMD
16 meeting, and always stays with me. By the way, he also
17 has asthma. He says we're here fighting for our lives.
18 Who are going to listen to, the people fighting for their
19 lives or the people who are fighting for their wallet?

20 Thank you.

21 (Applause.)

22 CHAIR NICHOLS: Excuse me, but I think before we
23 proceed with the next witness, we still have -- we're only
24 about halfway through, and the court reporter has not had
25 a break since he started first thing this morning, and he

1 has to actually sit there and get everybody's words down
2 correctly.

3 So I think it would be smart if we took a short
4 break, but not a very long one. Can we make it 10
5 minutes? Let's try to make it 10 minutes, okay? And we
6 will promise to take up right away where we left off.

7 If you could be back here in the room by 20 of
8 12:00. That's -- let's make it a quarter to. Sorry, I'm
9 looking at the clock in the back of the room. Quarter to.
10 My watch must be fast. Thank you.

11 (Off record: 11:33 a.m.)

12 (Thereupon a recess was taken.)

13 (On record: 11:50 a.m.)

14 CHAIR NICHOLS: Can we get going again.

15 Hello.

16 There's the sound system. Hi, everybody.

17 Well, it took us a little more time. We took an
18 extra five minutes, but I think the extra five minutes was
19 worth it, because I understand that some of you have been
20 rearranging schedules for speaking. And the Board has
21 also rearranged our own schedule. So we are not going to
22 be taking the lunch break that we had planned, so we
23 won't -- we won't take a break. We will for the Board
24 members, so we don't faint on you. It's going to be
25 possible for them to take a quick break in the back just

1 to grab a sandwich and come back out. But we will
2 maintain a quorum and everybody will just be listening,
3 but we will not be -- we won't be shutting down the
4 hearing process. So we're going to stay here, and make
5 sure that we hear from everybody. I understand that some
6 of you have also decided that you don't need to speak, and
7 that's fine too. But we're -- we're here, and so we're
8 going to do with this process, and look forward to hearing
9 from everybody. Okay.

10 MR. JACKSON: Hello. My name is Hakan Jackson.
11 I'm with the CCAEJ. And I was born raised in Los Angeles
12 County. I spent most of my adult life away from
13 California, because as soon as I graduated high school I
14 joined the military, in fact, the U.S. Air Force, which
15 I'm happy to see the flag back there.

16 And as any service member can tell you, a big
17 part of your identity when you serve is your state. And
18 it's always been an honor to be, you know, Sergeant
19 Jackson from California.

20 And then while I served -- and I served six years
21 in Japan, and it was also an honor there, because when you
22 get to tell somebody overseas, you know, they know you're
23 from America. But then when you tell them you're from
24 California, the eyes widen and they're happy to meet
25 somebody from this wonderful State.

1 And as soon as I -- I got out after 12 years -- I
2 went to Boston to go to Boston University. And I expected
3 to kind of just live as somebody from California, and just
4 be elsewhere, because most people who graduated from the
5 east coast stay in the east coast.

6 But unfortunately, I have a sick mother, and so I
7 came back here to the Inland Valley to take care of my
8 mother. And I didn't know what I was going to do with the
9 job. I just ended up working that out as you can see with
10 CCAEJ.

11 And she has asthma attacks constantly. I don't
12 even live by a warehouse. I don't live too close to a
13 freeway, but what I do live near is by a lot of open
14 space. And truckers they like to park in those spaces,
15 and we get a lot of that idling.

16 But that's all I wanted to say, because I know,
17 as a lot of people who are here are wanting to speak, and
18 have their story. But I just wanted to share my story
19 with you guys, and how I'm impacted and how proud I am for
20 being from this State, and I hope that I continue to be
21 proud of this State.

22 Thank you.

23 CHAIR NICHOLS: Thank you.

24 (Applause.)

25 CHAIR NICHOLS: Jim Stewart, I know you, but your

1 name was crossed off. Was that a mistake?

2 (Laughter)

3 MR. STEWART: I don't know why they're crossing
4 all kinds of names off. But in any event, I actually did
5 pass around some slides, which might be showing back
6 there.

7 But what I really wanted to point out to you
8 is -- I'm Jim Stewart, and I'm representing not any
9 organization, but I'm representing the 200,000 people that
10 live in the forest area. And I'm proud to Call Senator
11 Lara my senator. Thank you very much for standing up for
12 all the great work you've been doing.

13 But the bottom line is we're suffering. The
14 ports area is the worst air quality in California. And
15 you can see it on your slide. The AQMD has it as the
16 black zone. We call it the sacrifice zone. We are
17 sacrificing our lives for the commerce of the entire
18 United States.

19 All those trucks and ships and trains that come
20 through the ports they're killing us. And we are
21 depending on you to stop this carnage.

22 And the next slide just shows the ridiculous
23 situation. This is what the ports are showing that
24 they're going to -- you know, without any action, they're
25 going to increase their -- you know, and this is 50 tons

1 per day coming out of these ports, right?

2 And so there's no actual targets in the plan that
3 you have before you to reduce the ports. And we call upon
4 you to require that you actually get this plan fixed to
5 reduce the port emissions.

6 And then the next slide shows what all of the
7 preposterousness of this whole charade that is before you.
8 And that is that the ARB strategy as presented by staff
9 has 108 tons per day of NOx in the South Coast area, which
10 will be reduced -- I mean, which is going to be handled by
11 new technologies, but you haven't specified them. The
12 little pie chart here that I passed out was just based on
13 SIP table 4 on page 32. And I hope you all look at that,
14 because the issue is that there is no strategy.

15 And I guess I have to call upon each of you to
16 have a heart, that it's your heartfelt concern for those
17 of us who are suffering. You cannot allow this staff
18 proposed plan to be passed. And the reason you can't
19 allow it to be passed is because it doesn't show how
20 you're going to save lives.

21 In six years, you're going to reduce 108 tons per
22 day of NOx with unspecified new technologies?

23 No, fix it.

24 (Applause.)

25 MR. LA MARR: Good morning, Chairman Nichols and

1 Board members. I'm Bill La Marr, and I'm the Executive
2 Director of the California Small Business Alliance.

3 I guess for the record, I should say that I'm
4 also asthmatic and a cancer survivor so -- for the record.
5 And we believe that CARB should approve AQMD's Air Quality
6 Management Plan, because it directly addresses one of the
7 region's greatest challenges, and that's the timely
8 attainment of federally mandated air quality standards.

9 What we don't support are the amendments, which
10 were introduced at AQMD's February and March governing
11 board meetings. These amendments were introduced after
12 public testimony had been closed. And it should concern
13 you, as it does us, who represent the regulated community
14 that these amendments were introduced at the end of four
15 long years and thousands of hours of collaboration and
16 exhaustive vetting of the plan. Moreover, they were
17 introduced without any staff, socioeconomic, or CEQA
18 analyses.

19 We deeply appreciate that the ASMP recognizes the
20 need for incentives, and reliable sources of funding in
21 order to obtain the ambitious emission reductions in
22 mobile and stationary source sectors. And I must
23 emphasize that if meaningful reductions are going to be
24 required of small businesses, that the availability of and
25 access to incentive funding will be absolutely essential.

1 For decades, small stationary sources have
2 invested millions of dollars in cleaner technologies which
3 have made it possible for us to enjoy the air quality --
4 the much improved air quality that we have today. But a
5 mandate for further reductions raises serious questions by
6 small business owners about the feasibility and
7 affordability of these technologies in exchange for any
8 meaningful benefits to cleaner air.

9 We appreciate CARB's participation and input in
10 the development of the AQMP, and we look forward to
11 working with your agency and AQMD in moving forward in
12 implementing the plan. Thank you for allowing me comment.

13 MS. TOMLEY: Good afternoon. My name is Heather
14 Tomley and I'm with the Port of Long Beach.

15 I first want to thank the ARB Board and staff for
16 their long working relationship with the Port. We share
17 the same objectives to good stewards of the environment
18 and to continue to reduce air quality impacts associated
19 with Port-related operations. And we've worked
20 successfully over the past decade with your agency to
21 implement effective source-specific regulations and other
22 strategies that have dramatically reduced emissions.
23 Between 2005 and 2015, our emission's inventory shows
24 port-wide diesel particulate matter emissions are down 84
25 percent, and nitrogen oxides are down 48 percent.

1 We look forward to continued collaboration
2 between our agencies, as we move forward with our third
3 iteration of the Clean Air Action Plan, which is currently
4 underway. We view this plan as a local implementation
5 plan to assist the State in meeting its goals of the
6 Sustainable Freight Action Plan.

7 However, we do not support an indirect source
8 rulemaking approach. The rule would incorrectly identify
9 the Port as an indirect source, will reduce our ability to
10 remain economically competitive, will limit voluntary
11 cooperation with the Port-related industry that's been
12 critical for or success to date, and will not provide any
13 additional tools to help us meet the challenge.

14 The potential impacts of this approach have yet
15 to be fully analyzed. We're developing strategies today
16 to move towards zero emissions at the ports, which will be
17 a huge challenge, and will require all of us to work
18 together. We therefore request that you move forward with
19 the collaborative approach as described in the AQMP that
20 will bring all stakeholders including the air agencies and
21 the industry together to work on effective solutions, but
22 do not proceed with an indirect source rule.

23 The cooperative approach with the Port's
24 voluntary action moving forward early, followed up by
25 source-specific regulation to sustain those emission

1 reductions has proven to be successful over the past
2 decade, and we strongly believe that this is the best way
3 to protect health of our local communities.

4 Thank you.

5 CHAIR NICHOLS: Excuse me. Could you wait just
6 awe sec, please. We have a question.

7 SENATOR LARA: Ms. Tomley, I have a question.
8 Can you describe for us, in your opinion, what -- what
9 have been the most effective programs under the Clean Air
10 Action Plan for the Port?

11 MS. TOMLEY: So we've been working on the Clean
12 Air Action Plan. We originally adopted it in 2006, so we
13 have about 11 years of experience on working on that plan
14 together with the air quality agencies, the industry, the
15 environmental justice groups and community advocates,
16 working on a variety of different programs. The Clean
17 Trucks Program was one of the first early programs that we
18 worked on under the Clean Air Action Plan. That two ports
19 worked together on establishing environmental standards
20 for trucks coming into the ports. That was worked on
21 cooperatively with the California Air Resources Board. So
22 the State regulation for drayage trucks came on the back
23 end of that.

24 But through that program, we were able to reduce
25 emissions from trucks by 95 percent today from where they

1 were in 2005, and that's just one example. We also have
2 our vessel speed reduction program moving forward with
3 shore power, which is also a State regulation. Low sulfur
4 fuel, we moved forward as an incentive program.
5 Initially, that was backed up by regulation.

6 All of these strategies have been ones that we've
7 worked on cooperatively with the agencies and the
8 industry, and that's the reason why we've been able to
9 achieve the 84 percent reduction in diesel particulate
10 matter that we've been able to do in the last 10 years.

11 SENATOR LARA: And have any of the other ports
12 followed suit with similar programs of this nature that
13 you might know of?

14 MS. TOMLEY: Absolutely. The Port of Los
15 Angeles. Obviously, we're in lockstep on this. We've
16 been partners the whole way through. But through these
17 programs throughout the State, and the work with the Air
18 Resources Board other State -- other ports in the State
19 have done the same. But we've seen clean trucks programs
20 adopted in Seattle/Tacoma area, and New York/New Jersey.
21 These types of things that we're doing here are moving out
22 to other ports throughout the nation.

23 And some of the work that we're doing as well in
24 our technology advancement program. We've been investing
25 millions of dollars into demonstrating prototype equipment

1 that hasn't ever been used in these settings before
2 demonstrating zero emission technologies, demonstrating
3 cleaner at-berth technologies that are barge based. These
4 types of things are being tested in the port complex here,
5 but these are technologies that can be deployed throughout
6 the nation, throughout the world, and we are seeing that
7 with the work that we're doing.

8 SENATOR LARA: And in terms of the middle harbor
9 project that is ongoing at Long Beach, do we anticipate --
10 is there any estimates in terms of how that will further
11 lower our carbon footprint in the Port?

12 MS. TOMLEY: We definitely have estimates. The
13 middle harbor terminal -- for everyone's clarification, if
14 you haven't had the chance to see it, I invite you all
15 down to take a look at what's happening out there. But it
16 is a almost entirely zero emission terminal. They -- as
17 the ships pull up to the berth, they plug in, they're
18 offloaded with electric cranes on to automated guided
19 vehicles that go to the stacks, which are -- have
20 automated electric gantry cranes. The cranes in the
21 railyard are also electrified. The terminal itself
22 dramatically reduces emissions from port operations. But
23 that's one example of how things could move forward.

24 We're also putting investments into demonstrating
25 and developing zero emission yard tractors and zero

1 emission top picks that we can move forward also with
2 traditional operations, but do that in a much cleaner mode
3 as well. So we're -- we're looking for a variety of
4 different options, lots of tools to help us get to where
5 we need to go, because we know we still have a lot of work
6 to do, but we're putting that emphasis -- putting that
7 effort into it. And we want to continue the same approach
8 that we've taken that's been effective to this point,
9 working on things that we can do early at the ports, and
10 then having that go forward.

11 SENATOR LARA: So you can -- you can essentially
12 create a greener port and still be economically feasible
13 and potentially much more expedient in the traffic and the
14 cargo that comes in and out?

15 MS. TOMLEY: We've proven over the last ten years
16 that we've been able to reduce emissions dramatically, 84
17 percent for diesel particulate matter, and at same time
18 our cargo volume, our container volume has increased by
19 seven percent over that same time, so that we can continue
20 to make dramatic reductions in emissions, but still allow
21 cargo to continue to move through the ports.

22 SENATOR LARA: Thank you.

23 MS. TOMLEY: Thank you.

24 CHAIR NICHOLS: Excuse me. We have another
25 question here or comment.

1 BOARD MEMBER MITCHELL: I have another question
2 for Ms. Tomley.

3 MR. TOMLEY: Sorry. I was ready to scoot.

4 (Laughter.)

5 BOARD MEMBER MITCHELL: I know you're presently
6 working on a Clean Air Action Plan that is the latest
7 iteration. And could you give us a little bit of
8 background on the progress of that, and where you're
9 planning to go with that?

10 MS. TOMLEY: Absolutely. So last November, we --
11 the two ports released our discussion draft. We called it
12 a discussion document, because we wanted to put out
13 strategy concepts, and really start a dialogue with all of
14 the different stakeholders that are involved with -- that
15 are interested in the air quality efforts at the ports.

16 And so we -- we proposed the next version of the
17 Clean Trucks Program. We proposed strategies to continue
18 to reduce emissions from vessels, and the turnover for
19 terminal equipment. We proposed really aggressive
20 strategies that we know will be extremely challenging to
21 achieve.

22 For example, on the Clean Trucks Program, we
23 propose to move to zero emissions by 2035 and on terminal
24 equipment by 2030. We're working together with all of the
25 different stakeholders that are involved with this. We

1 currently have -- we've received a lot of comments, and a
2 lot of input on what we proposed. We're currently working
3 the next draft of the Clean Air Action Plan, which we hope
4 to release here in the coming months. And continue to
5 have public comment and input on what we're proposing.

6 But it really is our goal to move forward with
7 where do we go from here, and how can we continue to bring
8 down the emissions impacts associated with port
9 operations.

10 BOARD MEMBER MITCHELL: And let me just ask you
11 to tell us under the Clean Air Action Plan and the Clean
12 Trucks Program that you adopted from the 2006 plan, what
13 is the make-up of the trucks now in the port?

14 MS. TOMLEY: All trucks are required to meet 2007
15 standards or better. We see it just through natural
16 turnover at least a third of those actually meet 2010
17 standards or better. We have -- we have about, I think,
18 around 800 natural gas trucks that are somewhere between
19 800 and 1,000 natural gas trucks that are in the system as
20 well. There's about 16,000 trucks that are registered in
21 our drayage truck registry.

22 BOARD MEMBER MITCHELL: And I understand that now
23 there is an experimental program with a low NOx drayage
24 truck that you're working on, is that true?

25 MS. TOMLEY: That's right. So there are -- there

1 have been demonstrations of the low NOx, the near zero
2 standard trucks that are currently being tested right now.
3 One of the trucking companies is using that truck that
4 meets the engine size requirements for port operations.
5 They're testing that truck right now. The estimate is
6 that that truck will be commercialized and available early
7 next year, so we're looking forward to that as a natural
8 gas truck.

9 But we're also working with the South Coast Air
10 Quality Management District on a variety of different
11 demonstrations to test other near zero and zero emission
12 trucks, so looking at a variety of different technologies,
13 so that we can have multiple options so the operators can
14 choose what works best for their -- for their operations.

15 BOARD MEMBER MITCHELL: Okay. Thank you.

16 MS. TOMLEY: Thank you.

17 CHAIR NICHOLS: And, excuse me, we also had a
18 question from Dr. Sherriffs.

19 (Laughter.)

20 BOARD MEMBER SHERRIFFS: You're so good at
21 answering these questions.

22 MS. TOMLEY: Chris is very glad he didn't go
23 first.

24 BOARD MEMBER SHERRIFFS: Your speech is so clear
25 and -- and I'm sure Chris is thrilled that you're the one

1 who's managing this.

2 (Laughter.)

3 BOARD MEMBER SHERRIFFS: Bring on the questions.

4 (Laughter.)

5 BOARD MEMBER SHERRIFFS: Looking at this graph,
6 so these demonstrations and so that you've talked, is --
7 tremendous progress from 2005 to 2014, but flattening in
8 progress since then. So these are all potential projects
9 to change that curve. If there is no change, that curve
10 indeed flattens. But if there's progress with these, then
11 that is a very different curve?

12 MS. TOMLEY: So I'm not familiar with that graph.
13 I haven't seen it, but that has been a comment that we've
14 heard. And we recognize that there were very dramatic
15 emission reductions in the early years after the Clean Air
16 Action Plan was approved, and some of that has been
17 slowing down, leveling off. But that's really the
18 recognition that we have that we need to move forward with
19 the next round of the Clean Air Action Plan.

20 The majority of the strategies that we initially
21 proposed have either been fully implemented or well
22 underway. And so we need to be planning for the future
23 and where we go. And that's what we're working on right
24 now. There are still, through the California Air
25 Resources Board Shore Power Rule, there are still, and

1 we're expecting, continued emission reductions through the
2 use of expanded shore power in the ports. There are other
3 strategies that are continuing to proceed, but we need to
4 be looking at what we need to do for the future, and
5 that's what we're attempting to do through our Clean Air
6 Action Plan process.

7 BOARD MEMBER SHERRIFFS: Thank you.

8 CHAIR NICHOLS: Okay. Chris. You get a break.

9 MR. CANNON: I just wanted to add one more thing
10 that. Your comment is important. A lot of people have
11 mentioned just what you said, if you look at the curves of
12 emission reductions, they do flatten out right around
13 2011, 2012. And the reason is because there was a lot of
14 low-hanging fruit. There was a lot of opportunity in
15 those early years to get at some serious pollution
16 problems. Fortunately, we were able to do that.

17 And so what's left is the tough stuff, and that's
18 what makes our Clean Air Action Plan update that we're
19 doing now a challenge, because we have to find ways to get
20 at those tougher challenges. So I just wanted to add to
21 what Heather added.

22 Good afternoon, Madam Chair and Board members.
23 My name is Chris Cannon with the Port of Los Angeles. I'm
24 here to ask that your Board support the collaborative
25 process that is embodied in the AQMD's proposed AQMP.

1 Please be assured that we are committed to doing
2 everything we can to continue our work to clean the air,
3 and we have already -- we already have plans to begin
4 meeting with the AQMD to discuss how programs for our
5 upcoming Clean Air Action Plan update will fit with their
6 plans for the AQMP.

7 I would also like to ask that you resist
8 proposals to impose things such as indirect source rules
9 or facility caps. These approaches have questionable
10 utility due to our limited control of the sources whose
11 emissions they seek to address. They also raise troubling
12 legal issues.

13 These types of programs have been brought up in
14 your Sustainable Freight Action Plan process, and we
15 actually think that there is an important and good
16 dialogue that's going on there regarding these types of
17 programs, and we think that should continue.

18 For these reasons imposition of facility caps, at
19 this time, could compromise the good working relationships
20 that our organizations have, the two ports have, with AQMD
21 and ARB by creating unnecessary conflict, which at this
22 time could potentially even delay our efforts to clean the
23 air.

24 Instead, I urge that you allow the collaborative
25 process that's been so successful for the last 10 years to

1 continue. We look forward to continue working with the
2 AQMD and also your staff on opportunities to clean the air
3 through the proposed AQMP.

4 Thank you very much.

5 BOARD MEMBER MITCHELL: Chairman, Nichols, if I
6 could have a question --

7 CHAIR NICHOLS: Yes, I'm sorry.

8 BOARD MEMBER MITCHELL: -- with Mr. Chris Cannon.

9 CHAIR NICHOLS: You know, this system is good,
10 but not perfect.

11 (Laughter.)

12 CHAIR NICHOLS: I'm going to turn up the sound so
13 I can hear you when you add yourselves to the list.

14 Okay. Go ahead.

15 MR. CANNON: Yes.

16 BOARD MEMBER MITCHELL: Mr. Cannon, we heard a
17 claim that the ports are not using some of this newest
18 technology, the AMECS technology to capture emissions from
19 ships hat berth. And also, they're not fully using the
20 shore power. Would you comment on that, so that we
21 understand what's going on there?

22 MR. CANNON: Well, first of all, in our proposed
23 Clean Air Action Plan update, we -- both ports have
24 identified the alternative methods for controlling
25 at-berth emissions as important goals to improve and

1 increase the usage of. We both have worked to test those
2 procedures over the years, and contributed money to those.
3 I got some data that I can't give you the exact numbers,
4 but it's from your staff here.

5 Both -- there's two systems that are at work, and
6 they both were used quite a bit last year, between 40 and
7 60 usages over the last year. I can't give the details,
8 because your staff told me I wasn't allowed to.

9 (Laughter.)

10 MR. CANNON: But they were actually used quite a
11 bit. And we were surprised, to be honest with you, at the
12 numbers. We -- if you think about that, that's, in some
13 cases, almost once a week, and so that's pretty
14 significant.

15 Now, should they be used more? Yes. Yes. And
16 we believe that they should be used more and are going to
17 encourage, either through incentive programs, and possibly
18 even grant programs, the additional creation of these
19 technologies.

20 We're also with a program that your -- you --
21 your organization funded at the Pasha Terminal also
22 working to develop an undocked version of that that could
23 be used for non-container ships. And so that's something
24 that we'll go through the verification process that you
25 have here for the Air Resources Board.

1 The last part of your question was plugging in.
2 We got some good numbers. Our numbers are actually pretty
3 good. There are certain berths that are having problems
4 and certain lines -- shipping lines are having problems.
5 But actually the plug-in rates have been pretty good at
6 Port of Los Angeles. I don't think they've been bad at
7 Port of Long Beach either.

8 So there are certain berths that are having
9 problems, and those usually have to do with the location
10 of vaults, and the way the size of the ships now has
11 increased. And so it makes it harder to plug in. There
12 are also some lines -- shipping lines that do need to step
13 up their efforts to plug in. But for the most part, we've
14 actually received good news about the plug in rates at the
15 Port of Los Angeles and also Port of Long Beach. And so
16 we're happy to report that things seem to be moving in the
17 right direction.

18 BOARD MEMBER MITCHELL: And since we gave Long
19 Beach the opportunity to describe their clean --

20 MR. CANNON: Heather did a great job.

21 BOARD MEMBER MITCHELL: -- clean piers. Los
22 Angeles Port is TraPac and Pasha Terminal. Would you
23 describe a little bit for us what's happening at those
24 terminals?

25 MR. CANNON: Well, both of them are really

1 interesting projects. The TraPac Terminal is also an
2 automated operations -- partially automated. They're --
3 the portion of the terminal that is automated is fully
4 automated, but they have another half that is still being
5 modified.

6 It's pretty exciting. They don't use the
7 automate guide vehicles that Long Beach uses. And so they
8 do have tier 4 or hybrid -- tier 4 hybrid engines that
9 operate. They're called straddle carriers, but they're
10 extraordinarily efficient, and they even have engine
11 shut-off/cutoff technology, so that when they're not used
12 they immediately stop.

13 The emissions profile that we looked at from that
14 terminal is actually pretty similar to one that has full
15 electricity because of the difference in the grid and the
16 amount of emissions that are associated with the
17 generation of electricity. So it's pretty good. It's
18 exciting.

19 And if you come down to have a look at middle
20 harbor, please also come take a look at TraPac. I think
21 you'll enjoy it. The other thing you brought up was the
22 Green Omni Terminal at Pasha. That's something that we
23 are thrilled about, and we thank your organization for
24 helping to fund that.

25 This is the first terminal in the world that will

1 be able to operate fully off the grid through using solar
2 power to harvest electricity, and then a large -- two
3 large battery storage units that will actually be able to
4 store that electricity. And then with zero emissions
5 technology, all of the cargo handling equipment will be
6 zero emissions. So everything on the site will be zero
7 emissions. It will be zero emissions operated by people,
8 I'm happy to say, and our unions are proud to say that.

9 But it will all be zero emissions, so it becomes
10 great. Those of you who have shore -- or excuse me, solar
11 power or know people that have solar power, you know that
12 during the day, you can, of course, run the electricity.
13 But when the sun goes down, you can't run the electricity
14 anymore.

15 But with this battery storage capability at this
16 terminal, it actually can run at night. And so it's a
17 24-hour off-the-grid operation absolutely fascinating and
18 we are thrilled to be the first in the world to do
19 something like that.

20 BOARD MEMBER MITCHELL: Great. Thank you very
21 much. That helps.

22 CHAIR NICHOLS: So, okay --

23 BOARD MEMBER TAKVORIAN: I had a -- I had a
24 question. I'm sorry. Hello.

25 CHAIR NICHOLS: Hi.

1 BOARD MEMBER TAKVORIAN: I pushed the button.

2 CHAIR NICHOLS: I see you -- no, but you're not
3 up on -- oh, it says Alex Sheriffs.

4 (Laughter.)

5 BOARD MEMBER SHERRIFFS: I defer. It must have
6 been mine.

7 CHAIR NICHOLS: Go ahead.

8 BOARD MEMBER TAKVORIAN: Thank you. Sorry, Mr.
9 Cannon. And thank you to Ms. Tomley also. It sounds like
10 there's a lot of great progress happening at both ports.
11 And I'm from San Diego, so, you know, you all lead the way
12 oftentimes, so we like to point to your successes.

13 MR. CANNON: We like working with Port of San
14 Diego as well. So they're part of CAPA and part of -- we
15 have good dialogue with them, so they're very helpful.

16 BOARD MEMBER TAKVORIAN: Great. Good. Good.
17 And we are excited about the successes that you've made.
18 I find that there's a little bit of a disconnect though
19 with some of the timelines that are built into the State
20 Plan. It seems based on your testimony, an that of Ms.
21 Tomley that we could do better --

22 MR. CANNON: Okay.

23 BOARD MEMBER TAKVORIAN: -- particularly with the
24 at-berth requirements and the cargo handling, which are
25 often really big sources of emissions, so --

1 MR. CANNON: Are you referring to the proposed
2 Clean Air Action Plan update? Is that what you're talking
3 about?

4 BOARD MEMBER TAKVORIAN: I'm referring to the
5 SIP.

6 MR. CANNON: Oh, the SIP, got it. Yes.

7 BOARD MEMBER TAKVORIAN: And so we're looking at
8 requirements that are -- for the at-berth requirements to
9 be at 50 percent by 2032. It seems like you're
10 challenging that timeline already, and that we could do
11 better with that, and that cargo handling isn't really
12 included and should be, and that we should really get to
13 like 100 percent compliance in the next decade at least.

14 So I just wanted to hear your thoughts about
15 that, since you didn't comment on that directly.

16 MR. CANNON: Well, we agree. We think that both
17 of those are important goals. The cargo handling
18 equipment, we set a goal of being fully zero emissions by
19 2030. We're in discussions with industry about whether
20 that's feasible, given the availability of technology.
21 But if that is possible, if the technology is available,
22 we believe that cargo handling equipment is the first
23 place where fully battery electric or other types of zero
24 emissions technologies are quite possible.

25 So we agree with you that it should happen as

1 fast as possible. We think that as soon as the technology
2 is available and can be demonstrated to be feasible, it
3 will be implemented. And we even think that we can push
4 that a little bit by, you know, urging early introduction
5 of this technology, so that industry begins to refine it
6 and make it work better. So that's the first thing.

7 And as far as shore power, yes, we agree that we
8 think that we should be able to increase the amount of
9 shore power usage by non-container terminals. We think
10 that the container terminals appear to be working and the
11 container ships appear to be moving along the pathway
12 toward meeting the State's shore power rule.

13 But we believe that for non-container terminals
14 that's important too. The challenge, of course, is that
15 the profit margins in those non-container terminals aren't
16 the same. So it's hard to retrofit the ships, and that's
17 why the comment that was raised a moment ago about the
18 alternative technologies, the bonnet technologies is
19 important.

20 We think that for non-container ships, those
21 bonnet technologies are actually very, very viable, and
22 very good. The issue with containers is that you're on a
23 barge, and sometimes that barge gets in the way. But for
24 non-container ships -- or terminals and ships, they can
25 actually be on dock. And we think that that actually is a

1 very, very viable opportunity.

2 So we're pushing that, Long Beach is too, and so
3 we do agree with you, but we are mindful of your comments,
4 and we'll keep pushing as hard as we possibly can on those
5 issues.

6 BOARD MEMBER TAKVORIAN: Thank you.

7 CHAIR NICHOLS: Okay. Thank you.

8 MR. QUINN: So I don't see Mike Lewis.

9 CHAIR NICHOLS: No, I don't see him either.

10

11 MR. QUINN: Bill Quinn with CCEEB, the California
12 Council for Environmental and Economic Balance. And I
13 want to say that in February CCEEB encouraged the South
14 Coast Board to adopt the AQMP as originally proposed by
15 the District staff, and should reject any last minute
16 changes.

17 Stakeholders had worked hard for nearly four
18 years to bring the Board -- District Board a good plan
19 that we felt met all State and federal requirements, and
20 fully fulfilled the commitment for an approvable AQMP.

21 As we know, the AQMD Board adopted the plan in
22 March with several amendments, including amendments to
23 control measures addressing the RECLAIM Program and
24 indirect source rules. CCEEB does not support those
25 amendments.

1 Further, we were highly concerned with the
2 process that allowed the last minute introduction of these
3 amendments without the clarity needed to fully understand
4 the impact to the regulated community.

5 So saying that, in other areas, we are very
6 pleased to see that the plan recognizes that many of
7 emissions needed to meet attainment requirements come from
8 State and federal sources that are beyond the District's
9 direct authority, or they're very difficult sources to
10 achieve emission reductions.

11 So for these sources, we fully support the AQMP's
12 use of targeted incentive funding to help achieve these
13 reductions. We have already committed to work with the
14 district and we commit to you now to work with you and
15 other stakeholders to help these needed incentive funds.

16 So thank you very much.

17 CHAIR NICHOLS: Thanks.

18 DR. AGUILAR: Good afternoon, Honorable members
19 of CARB and, of course, the legendary Chair, Mary Nichols.

20 (Laughter.)

21 DR. AGUILAR: It is my privilege to speak to you
22 today. My name is Dr. Felix Aguilar. I'm a practicing
23 physician here in Southern California. And I treat, you
24 know, patients who suffer the poor effects of the -- of
25 poor quality -- air quality on a daily basis. I'm deeply

1 concerned about the public health impact.

2 And so those -- I have joined the American Lung
3 Association doctor for Climate Health Campaign. And I
4 also am a member of the Sierra Club. And as someone who
5 lives in Southern California, as we all know one of the
6 poorest air quality challenges in the country, and that
7 has put us in a health crisis.

8 We know that statewide the freight sector it's
9 estimated to cost about \$20 billion dollars in health
10 damages. And here in Southern California, we have two
11 large ports we heard about them. You know, of course,
12 rail operations, warehousing, diesel emissions, all of
13 those treat -- all of those threaten the health of the
14 families and of my patients that I work with.

15 And in my clinic on a daily basis, the noise of
16 an albuterol nebulizer like a nest of bees is a daily
17 occurrence. And on personal basis, my daughter suffers of
18 asthma. And on bad days she's unable to go to school.
19 And she comes to me asking me what's going on, dad?

20 For that, I believe that when we need to achieve
21 zero emissions, and I'm wearing my little sticker about
22 zero emission vehicles. So I want to emphasize the point
23 that that is a way to reduce premature death, asthma
24 attacks, heart attacks, and other impacts of poor air
25 quality, diesel emissions, and other hot spots that we

1 have.

2 It is important that we drive down the emissions,
3 and that there would bring policies to protect our -- you
4 know, patients, our kids, and our families. This plan is
5 a good start that needs a lot of follow-up. On a daily
6 basis, I take care of patients. I help them, and I give
7 them health care plans. Some of them aren't able to
8 follow them, and they come back sicker and asking for
9 relief, and we need to avoid that.

10 So, you know, as we said, I request that the
11 Board move forward on a progress report and an ongoing
12 care plan to ensure that we're making the progress in
13 terms of cleaning up our air. And if not, start
14 developing the rules to make up for any shortfalls of this
15 plan that affect both Southern California and our State.

16 We need to know that my patients have a fighting
17 chance when they leave my office, when they go home, they
18 go to school, they go to work. It's the way for us to
19 look for a healthier future.

20 Thank you so much.

21 (Applause.)

22 MS. GOLDMAN: Good afternoon. My name is Corie
23 Goldman. I'm an advocacy director with the American Lung
24 Association based out of our San Bernardino office.

25 I work and live in this region. On a personal

1 note, I have to say that the air quality issues that we
2 are discussing here today have personally impacted my
3 life, my family's life.

4 This morning, I just received a call regarding my
5 aunt who suffers from a serious lung disease and who lives
6 in San Bernardino, that she is on the donor list for a
7 double lung transplant. And she received a call from UCLA
8 this morning saying that she -- they found a pair of
9 lungs.

10 So she is at UCLA right now waiting to go into
11 surgery. And it's people like her who suffer from serious
12 lung diseases that are significantly impacted by our poor
13 air quality in this region. The American Lung Association
14 is working every day to save lives, and doing this by
15 improving lung health and reducing lung disease.

16 We view the South Coast AQMP as a vital plan to
17 improve the health of millions of residents today and into
18 the future. We appreciate the work that's been done to
19 improve the plan over the past few months, including the
20 retirement of RECLAIM. This is a big improvement, and a
21 clear signal that we need to do more with direct
22 regulation.

23 We support moving forward today with AQMP now,
24 but we also ask for additional measures to strengthen and
25 accelerate emission reductions throughout the region.

1 The American Lung Association's Annual State of
2 the Air Report continues to show that Southern California
3 is home to the most difficult air pollution challenges in
4 the nation.

5 We need a massive transition to zero emissions
6 throughout the region to get cleaner air. We are
7 concerned with the tremendous emission impacts of
8 warehouses and ports on our communities. And therefore,
9 we encourage more attention to regulations on these
10 sources that guarantee we get and stay on track in
11 cleaning up our most dangerous pollution hot spots.

12 We urge the ARB to develop regulations to clean
13 up the warehouses and ports that attract increasing
14 numbers of truck trips and mobile sources of pollution.
15 The State should commit to developing rules for these
16 major pollution sources. We also urge an annual review of
17 progress under the AQMP that's tied to clear benchmarks.

18 If funding and reductions are not sufficient,
19 then the State needs to jump in right away, and -- right
20 away with new regulatory measures to reduce emissions.
21 The communities and people who suffer from lung disease
22 like my aunt in Southern California deserve cleaner air
23 and a future free of lung disease.

24 We urge you to adopt a strong AQMP that will help
25 make this future happen.

1 Thank you

2 (Applause.)

3 MS. DALE: Good afternoon. My name is Kathleen
4 Dale. I'm a life-long resident of Moreno Valley, which is
5 the next city east of here. When I first lived there, it
6 was a farming community that was centered around March Air
7 Force Base, and our city is now turning into a warehouse
8 mecca. We're surrounded on the west and the south by
9 warehouses that are not only in our own city but also in
10 the adjoining cities and the unincorporated county area.

11 And our city council, in their questionable
12 wisdom, recently rezoned the whole east end of our city
13 for more warehouses. I think -- I've heard some things
14 that I hope you're going to consider in your deliberations
15 as we've -- I've been listening today.

16 And I guess the biggest questions that I'm
17 hearing is whether or not the AQMP actually includes
18 effective measures and whether or not those measures are
19 feasible.

20 I think -- it seems that the AQMP and the SIP are
21 focused on regional and statewide issues, but the plans
22 and policies that you're considering have to effective in
23 addressing the localized consequences of those pollution
24 sources. And in our town, we're increasingly affected by
25 the trucks that are drawn by the logistics industry,

1 I don't know if our regulations and our thought
2 processes on this are keeping up, because when I think
3 about is a truck a mobile source or a stationary source, I
4 have to question what it is when I think about a
5 warehouse, because it -- I think it's both. And so I hope
6 maybe there will be some evolution in how we think about
7 and regulate these sources.

8 I was looking at the staff report as I was
9 sitting in the audience. And the AQMD's EIR concludes
10 that air quality impacts are significant and unavoidable.
11 And I guess I'm trying to understand how a plan that's
12 effective or a plan that meets the requirements of the
13 Clean Air Act could still have significant and unavoidable
14 air quality impacts.

15 I worked for 35 years as a city planner and an
16 environmental consultant. And as I was listening to
17 things today, I was thinking about an old APA journal
18 article that I read when I was a brand new planner. And
19 there was a quote, and it said we're a major league at
20 preparing plans, and we're minor league at adopting plans,
21 and we're bush league at implementing plans.

22 It sounds like, you know, there's lots of reasons
23 here for you to think about the plans that you're adopting
24 today, and whether or not they're actually going to be
25 effective in helping the people that you've heard from

1 today who are dealing with the real consequences of poor
2 air quality in their own neighborhoods.

3 Thank you very much.

4 (Applause.)

5 MR. HAGUE: Welcome to the area. My name is
6 George Hague. I'm also a resident of Moreno Valley, 10,
7 15 minutes east of where you are right now.

8 I also strongly support indirect source rules
9 that are actually implemented and enforceable. We hope
10 you will somehow make sure that South Coast Air Quality
11 Management District does regulate the logistics industry,
12 because at the last speak -- said, we're being surrounded.
13 We're being inundated by the big boxes, millions of square
14 feet, and the tens of thousands of trucks.

15 She mentioned the east end of Moreno Valley
16 recently being rezoned. Forty plus million square feet of
17 warehousing was approved called the World Logistics
18 Center, which will bring more than 14,000 daily truck
19 trips to our area, to this city, and to the Inland Empire.

20 The World Logistics Center EIR -- and even if
21 they promise 2010 trucks, they are cleaner. They're not
22 clean. They will continue to pollute, and we need the
23 zero emissions.

24 But the World Logistics Center also explained in
25 their EIR that sound walls will be needed on the backyards

1 of miles and miles in Moreno Valley. And that's to
2 protect the people from the sound of the traffic that will
3 be generated by these 14,000 trucks trips each day, but
4 that doesn't stop the pollution from wafting over these
5 walls into the homes where the young and the elderly are
6 there.

7 Moreno Valley truck routes themselves are a
8 problem. They have one truck route that goes past three
9 schools, and yet the trucks still use this truck route.
10 It should be a rule that none of them go by any schools.

11 The World Logistics Center will also impact a
12 world class San Jacinto Wildlife Area. It will share a
13 two-mile border with this 10,000 acre partial mitigation
14 for the State water project. The State has spent \$80
15 million to put together the San Jacinto Wildlife Area.
16 And yet, the World Logistics Center two-mile border with
17 this project will impact the threatened and endangered
18 species that the State of California has put land aside to
19 protect.

20 And yet, the pollution that affects us, and
21 you've heard it all day long, will also affect these
22 plants and animals that are endangered and threatened.

23 Hopefully, you have heard the people who have to
24 live and breathe this pollution throughout the day, and
25 they are suffering.

1 I was a classroom teacher for 40 years. I
2 watched my children suffer with asthma.

3 Thank you.

4 (Applause.)

5 MS. KAVEZADE: Hi, everyone. I'm up to speak,
6 but I'd like to give it up to Ms. Whitehorse over here to
7 take my place.

8 MS. WHITEHORSE: Hi. Good afternoon. (Spoke in
9 native language.)

10 Madam Chair, ladies and gentlemen of the Board,
11 my name is Nancy Whitehorse. I'm a full blood member of
12 Cheyenne River Sioux Tribe located in South Dakota. I'm
13 the liaison for the Los Angeles City County Native
14 American Indian Commission as well as a mom.

15 I'm here today to encourage the Board to pass an
16 AQMD that protects people. A couple years ago, I moved
17 back to South Dakota, which is where I'm from to be with
18 my family. My dad was passing away from cancer. I was
19 basically back there to bury him.

20 Fortunately, the cancer was not progressing, so I
21 decided to move back to California. That's when I noticed
22 our -- mine and my daughter's cough. I'm pretty sure it's
23 due to living near the freeway. I'm just here to
24 encourage you all to clean up the cars and all the trucks
25 that this Board needs to regulate.

1 I am actually currently and advocate for solar
2 power on my reservation. We just started last week
3 install solar pans on residential units. So I hope that
4 you guys are able to do the same and clean the air.

5 Thank you.

6 (Applause.)

7 MR. EDER: Good afternoon. I'm disappointed
8 there's so few of you here. You should have planned for a
9 large group and gave us time to speak.

10 I'm Harvey Eder. I'm with the Public Solar Power
11 Coalition. I'm speaking for myself, and for PSPC. We're
12 against this plan. This plan needs to be an immediate
13 total solar conversion. On page 10-2 on energy and
14 climate written by Dr. Aaron Katzenstein says that there's
15 been a 30 percent increase in methane in less than 12
16 years.

17 At a board committee meeting on the 13th of
18 January, he said there will be from -- there are now from
19 750 to 800 parts per million CO2 equivalent -- those are
20 numbers we weren't supposed to get till 2100. These are
21 the facts. This is now.

22 The plan, the scoping plan, the local plans are
23 off. You're supposed to get 90 -- 40 percent reduction by
24 2030, 1990 levels. That's increased by 100 or 200 parts
25 per million CO2 equivalent. We need immediate solar

1 conversion now. This is no game. This plan -- the SIP
2 and the environmental document were written in March,
3 two -- several months before the District's plan was out
4 in July, August, and September. The CEQA document is
5 supposed to look alternatives, and the local plans said
6 they were looking at it. It was garbage. They omitted
7 DOE's sunshine program, and Delucchi/Jacobson's solar
8 conversion for California.

9 The comments that we made were ignored. This is
10 an illegal plan. You can't do an evaluation of a State
11 plan before the plan is out. They didn't look at the
12 solar alternative. They just ignored it.

13 And as we said -- we've litigated three times.
14 In '92, the '12 plan, and are looking seriously at
15 litigating now. We'd like to have help from the so-called
16 environmental groups that come to these meetings, but
17 that's yet to be seen.

18 There's big, big problems here, and we've got to
19 address them instead of just ignoring them. In the House
20 of Brown, who's back east representing us, we've got
21 his -- his sister and their family got their money from
22 natural gas. In Asia, so-called politically questionably
23 people and now Ms. Brown is on the Board of Sempra, and
24 the gas company, and San Diego Gas and Electric. They're
25 lobbying against CCAs.

1 We need community control. We need it as soon
2 as -- okay. There's \$57 billion to spend a year on fuels
3 in the district. Thirty years -- this only goes -- your
4 numbers only go to 15 years. You've got to go -- the life
5 of the solar system is from 30 to 50 years. At 30 years,
6 it's about \$1.8 trillion.

7 Also, a social cost. You only go 15 years out.
8 You say there's \$9 million cost for premature death. The
9 State plan says there's 7,500 deaths, 4,000 of those which
10 come from the District. The District only uses 1,600
11 deaths a year. The 4,000 is \$36 billion a year times 13
12 years, that's another trillion dollars in social costs.
13 There's also the cost of waiting around in traffic, and
14 there's other costs of the so-called renewable natural
15 gas, which is spreading drug resistant antibiotics.

16 All this stuff is in the plan and in comments to
17 the plan, and we're ignored by the district and ignored by
18 you. The only thing you understand is fighting, and I
19 guess that's litigating. These are captured agencies.

20 MS. INMAN: Good afternoon, Chair Nichols, and
21 ARB Board Members. I'm Fran Inman, Majestic Realty.

22 Majestic is a long-term California based company
23 with 90 million square feet of commercial real estate.
24 And I can tell you we've been at the table a long time.
25 We're active members of our communities. I'm chair of our

1 corporate foundation, and we are always pushing to make
2 our communities stronger.

3 I think we've heard today, and what's before you,
4 is evidence of collaboration. And I have worked as part
5 of the regional transportation plan development, the
6 Sustainable Communities Strategies, the AQMP, and with
7 your staff on a regular basis. I think I have the honor
8 of serving on all 3 -- on committees and task force on all
9 three legs of the Governor's Executive Order for
10 Sustainable Freight.

11 And I'm happy to be there, and I think that that
12 collaboration is what we all need to do. These are
13 difficult challenging goals and objectives for all of us.
14 And the only way we're going to get there, I think, is
15 through collaboration.

16 So our company had challenges with the last
17 minute amendments that came before the AQMP. We've been
18 at the table working on the committees for four years and
19 we're saddened to see those come in, not as part of the
20 efforts that we've been going through.

21 We also have concerns -- we've been actively
22 working with the Ontario Airport to take control back in
23 the Inland Empire. We think that that asset really needs
24 to grow. And so we're concerned that anything we do don't
25 help us achieve those goals, because if anybody has seen

1 the numbers, and I think you all, if you're trying to get
2 back to Sacramento tomorrow will see that we don't have
3 enough flights and enough activity at that airport. So we
4 really do need to continue to improve that.

5 We think that the Indirect Source Rule is not
6 going to help us achieve our goals. We're concerned with
7 the 25 percent freight efficiency goal that we have in the
8 Sustainable Freight Strategy will be difficult if we start
9 diverting cargo. So we'd be hesitant there.

10 So I just want to remind you that freight is the
11 economy in motion. And we've heard earlier today that we
12 would have to close all businesses and we still couldn't
13 get to our goals of removing all the emissions.

14 So happy to be here and look forward to continue
15 working with your staff.

16 CHAIR NICHOLS: Thanks.

17 I want to just say one word, Fran. Go ahead and
18 sit down. This is really -- because several other people
19 have made this comment about process and -- it always --
20 as a lawyer, I guess I'm always immediately reacting to
21 those kinds of comments, and especially because, you know,
22 this AQMP and a lot of the work that we've been doing over
23 the last few years has based on -- has been based on so
24 many work groups and discussions, and so much time that
25 people, including my staff, but also including

1 stakeholders, such as yourself, have put into developing
2 plans.

3 And I can understand why it's frustrating when
4 changes then get introduced sort of late in the process,
5 which have not gone through that same kind of a discussion
6 and vetting.

7 On the other hand, I have to say, you know, as an
8 appointee and a member of the Board, we're not chopped
9 liver either. We're here to apply a political filter, if
10 you will, to the results of all of this work. And so
11 while it -- I would agree that it would be better if, you
12 know, everything had been all perfectly planned out in
13 advance, I just want to put down a marker here in defense
14 of the Board of the South Coast District, since my
15 colleague and friend Judy may not feel like she needs to
16 defend them or wants to.

17 But, you know, people who agree to serve on
18 boards like the AQMD also put in their time getting
19 prepared and understanding the issues, and work hard to
20 get elected to the positions that enable them to be
21 appointed in the first place.

22 And so I just don't want to de-legitimize the
23 decisions that were made there. I think we can deal with
24 this AQMP on its -- on its merits.

25 So that's all I really wanted to say.

1 Judy, did you wish to be heard also?

2 Go ahead.

3 BOARD MEMBER MITCHELL: I want to say that, you
4 know, I've heard some of these complaints about the
5 process, but I also want to say that the motions that were
6 made, the amendments, the -- all of those issues were
7 raised in the document. They weren't -- they were in the
8 document. They came up again as amendments to so solidify
9 what was already in the document, so -- and later -- I
10 don't know if this is the time, but I will ask the
11 attorney for the AQMP -- D to come forward and talk about
12 that issue on the process, if that would be helpful.

13 CHAIR NICHOLS: Thank you. I just couldn't --
14 couldn't resist.

15 Mr. Shimoda.

16 MR. SHIMODA: Thank you, Chairman Nichols. Chris
17 Shimoda, California Trucking Association. We here today
18 to express our concerns regarding Indirect Source Rules.
19 Today, goods are moved by trucks that virtually eliminate
20 diesel soot, and reduce emissions of NOx by over 90
21 percent.

22 Existing regulations, such as your Truck and Bus
23 Rule, will ensure that all trucks on the road meet these
24 stringent standards by the year 2023. And we continue to
25 work with your staff to fully implement that regulation.

1 The State Implementation Plan before you today,
2 as well as the AQMP as drafted, calls for aggressive new
3 engine standards: Inspection and maintenance of existing
4 engines to reduce in-use emissions, incentives for small
5 businesses that deploy near zero emission vehicles, and
6 the early commercial deployment of next generation zero
7 emission technologies.

8 Commercializing advanced near zero emission and
9 electric drive capable vehicles will require close
10 collaboration of vehicle manufacturers, fleets, utilities
11 in the public sector.

12 Since last year, The CTA has been working very
13 closely with your staff on these efforts. And I have to
14 say that Indirect Source Rules will be a distraction, and
15 which will stifle needed innovation. We're putting all
16 our efforts forth towards trying to get these advanced
17 technology vehicles on the road. Reducing the economic
18 activity of freight facilities will jeopardize the middle
19 class blue collar jobs our industry supports.

20 The Governor's Freight Executive Order said
21 roughly a third of the economy in jobs of the State of
22 California are freight dependent, and will not make
23 advanced technology vehicles anymore commercially viable
24 than they are today.

25 The goods movement and regional business

1 community has been united in this message for several
2 years now. Indirect Source Rules are not the answer.

3 Thank you.

4 MR. HERZOG: Chair Nichols, member of the
5 Boards[sic], my name is Peter Herzog. I'm with the NAIOP,
6 the commercial real estate development association
7 representing the chapters here in the four-county area.

8 It's a pleasure to be with you today. And I
9 think first we should kind of go back just a little bit.
10 Your staff and the AQMD staff have clearly pointed out in
11 their presentations that this is a regulatory document.

12 And, in fact, over the last five to six months,
13 Dr. Fine has testified in numerous locations and had
14 numerous discussions about the fact how he looked under
15 every rock humanly possible to find things that were
16 feasible and reasonable that could legally be placed into
17 the AQMP. He has made it very clear that he has placed
18 all of those in this AQMP. This is a regulatory document.

19 And we are very pleased the fact that the AQMP --
20 AQMD has pushed the collaborative process.

21 Yes, we have concerns, and one is certainly
22 surrounding the ISRs. And to keep this short, Merely
23 adopt the comments of Mr. Cannon and Ms. Tomley, Mr.
24 Quinn, and Mr. Shimoda with regards to ISRs. I
25 wholeheartedly agree, and we certainly appreciate the fact

1 that Ms. Mitchell did vote against those three measures
2 when the AQMP was approved.

3 The fact of the matter is is that what our
4 concern was was the fact that the specific amendments
5 could not be discussed. There was no study of them.
6 There was no analysis of those specific amendments. And
7 that's part of the public process that needs to have
8 happen.

9 I also wanted to just point out that this is all
10 not going on in a silo. There's a huge effort dealing
11 with the freight system in this State, and in this region.
12 That's the California Freight Action Plan. That has been
13 an ongoing process since this organization, the ARB is
14 deeply involved in, has been for some time, and will
15 continue to be.

16 That has three legs, both emissions, efficiency,
17 as well as increase the competitiveness. That is one of
18 the government -- Governor's Executive Order requests. So
19 there, all aspects are being looked at. And that is the
20 appropriate place to discuss any additional matters that
21 might be useful in cleaning up the air surrounding the
22 freight system, not to add something today, not to give
23 any directives today.

24 Use what is already in existence. Let's not
25 confuse the issue with a whole bunch of things going on in

1 multiple places and nobody can connect the dots because
2 it's all over the State.

3 And finally, there's been some comments about the
4 economics of the logistics industry. Governor Brown
5 specifically indicated that the logistics industry is
6 one-third of the California economy both in numbers and
7 jobs.

8 That was 6, 700 billion dollars and five million
9 jobs in 2013. That's not industry talking. That's not
10 any economist that's. That's your Governor.

11 And finally, I believe that both the ARB and AQMD
12 have said, and I'll close, that the real focus here should
13 be on the technology. And as Mr. Shimoda pointed out, we
14 need to focus on that. Let's look at the technology.
15 Let's work on that technology. That's really the way to
16 get to the future.

17 Thank you very much.

18 (Applause.)

19 MS. THOMAS: Good afternoon, Board members and
20 staff. My name is Taylor Thomas. I'm a resident of Long
21 Beach and a member of East Yard Communities for
22 Environmental Justice based in the L.A. area. And we
23 submitted comments along with other community groups
24 expressing our concerns over this plan.

25 There's an overreliance on imaginary incentives

1 and lacks mandates. And this plan is nothing more than a
2 compendium of wishes and empty promises that will further
3 devastate our communities.

4 The people who will be affected most by this are
5 more than numbers on a page or data on a chart. As I live
6 and breathe, we are mothers, fathers, sisters, brothers
7 and workers just like you, and just like all of you, but
8 we have to live our lives in the shadow of industry's
9 hopes.

10 With the quality of our lives, there's never a
11 guarantee of good health. So I want to be able to go back
12 to my community members and tell them that you did the
13 right thing, and acted to protect public health. Our
14 lives are literally at stake.

15 Please revise the SIP to include the necessary
16 commitments that we need, and I'd also -- with all due
17 respect to Heather from the Port, she's one of the most
18 amenable people to work with at the Port, but I need to
19 push back on the comments around the Clean Air Action
20 Plan, because it's a guidance document. It's not
21 enforceable.

22 So when those promises aren't delivered, we don't
23 have any recourse to hold the ports accountable. And also
24 too, the point about the truck drivers, at least in the
25 harbor area there are a lot of truck drivers who are

1 misclassified as independent owner/operators, and many of
2 them end up actually either owing money to their trucking
3 company or going home with very little, you know, dollars
4 on the cents after several hours of work.

5 Many of them can't afford to pick up other jobs,
6 but because of the way that their employment is
7 structured, they're earning poverty wages. So I -- we
8 need to call a spade a spade, and be very clear about what
9 types of jobs and -- we're supporting, and how we want to
10 move forward collectively as a State.

11 Thank you.

12 (Applause.)

13 MR. SILVA: Good afternoon, Chair Nichols, who
14 just left, and. My name is Andy Silva. I'm with the
15 County of San Bernardino. I work in the County
16 Administrative Office. Supervisor Janice Rutherford sits
17 on the South Coast Board, and I also help out as staff in
18 her role as South Coast AQMD member.

19 I'm going to strike a little hopeful note to
20 start off. Some of the interesting projects we have going
21 on in the Inland Empire, in Perris, in Riverside County,
22 there's a facility that takes biosolids, creates renewable
23 natural gas, and powers their entire waste pick-up fleet
24 with renewable natural gas.

25 We've got a similar project that was just

1 permitted in Rialto in our county, my hometown. Just last
2 week, Supervisor Rutherford toured a brand new warehouse
3 in Fontana that has a 600-kilowatt solar array. And that
4 solar array will recharge fully electric drayage trucks,
5 and fully electric forklifts. And also just speaking
6 about solar and renewable energy, Riverside and San
7 Bernardino County are far and away the leader in those
8 categories.

9 And thanks again for deciding to put your
10 research facility in Riverside. CE-CERT is like my
11 favorite place.

12 Quickly, a little bit about the demographics of
13 the Inland Empire. More than 50 percent of our residents
14 do not have a college degree. We're -- high rates of
15 poverty. If you look at CalEnviroScreen and those little
16 red things that mean you have high pollution burden, and
17 low income, the Inland Empire has a lot of those red
18 squares.

19 In the past few years, 25 percent of the jobs
20 created have been in logistics. That is the growth
21 sector. So my board of supervisors, one of their biggest
22 priorities is economic development. So we just want to be
23 mindful as we consider additional rules and regulations,
24 that we consider the economic impact, and make sure that
25 our residents do have access to jobs and the economy

1 that's developing. So we just ask that you be mindful of
2 that.

3 Thank you.

4 (Applause.)

5 MR. ANDERSON: I'm urging that this fan -- plan
6 does not get implemented until there is a funding plan put
7 into place. Currently, the AQMD has been kicking around a
8 bond issue, a \$0.02 cents a gallon increase on gas a \$0.20
9 additional fee for licenses. Some of that won't be
10 acceptable to a lot of people.

11 And one of them is is that none of us really want
12 to sub -- any more subsidies for business. I personally
13 do not want to subsidize businesses that pollute. And
14 that should be a part of their business plan before they
15 set up. That is nothing that the AQMD or CARB should
16 approve. And you can't approve this plan right now. This
17 is a plan that doesn't exist because the funding that
18 they're proposing is unacceptable.

19 The federal government isn't going to have money
20 with all the cutbacks they have. The State isn't going to
21 have a lot of money with all of the things that they're
22 going to have to make up. So where is the funding going
23 to come from for this?

24 The polluters need to assume responsibility for
25 the pollution that they bring about and not the public, or

1 to put it personally, not myself.

2 Thank you.

3 (Applause.)

4 MR. NEWELL: Good afternoon, Madam Vice Chair,
5 members of the Board. My name is Brent Newell. I'm with
6 the Center on Race, Poverty and the Environment. I'm
7 rising today in support of the environmental justice
8 organizations who have been calling for zero emission
9 vehicles for freight, as part of the State strategy.

10 It's an exceptionally important issue here in the
11 South Coast. It's also extremely important in the San
12 Joaquin Valley, where diesel trucks are a main contributor
13 to both fine particulate matter and ozone pollution. But
14 this desire to go to natural gas, and, you know, the
15 linkage to the short-lived climate pollutant plan, Senate
16 Bill 1383 using dairies as a source of natural gas,
17 through anaerobic digestion and public funding of those
18 anaerobic digestion -- digesters is exactly the wrong kind
19 of policy.

20 Because throwing money at dairies to generate
21 natural gas, subsidizes those facilities, and it doesn't
22 address the air pollution that they create in that air
23 basin. Dairies are there number one source of ammonia,
24 precursor to the largest fraction of fine particle matter
25 in the San Joaquin Valley Air Basin. They're the largest

1 source of VOC. These unlined manure lagoons that emit the
2 methane and emit the ammonia discharge nitrates into
3 groundwater.

4 You know, subsidizing that industry to do this
5 half measure of natural gas powered vehicles is just
6 wrong-headed. You know, this State strategy ought to be
7 taking California to the 2050 decarbonized economy, zero
8 emission vehicles, dairies that aren't fouling up one of
9 the worst air basins in the country, it's absolutely the
10 wrong way to go.

11 Finally, the plan needs to be enforceable. The
12 Clean Air Act says that plans to attain the ambient air
13 quality standards have to be enforceable. Having
14 incentives, discretionary components violates the Clean
15 Air Act. It's that -- that simple.

16 So please make this plan do what it needs to do
17 for the people of California.

18 Thank you.

19 MS. GALE: Good afternoon, Board members. My
20 name is Genevieve Gale. I represent the Central Valley
21 Air Quality Coalition, and I also represent the Coalition
22 for Clean Air on matters pertaining to the PM2.5 plan. I
23 would like to speak today on the connection between the
24 Mobile Source Strategy and the State SIP and San Joaquin
25 Valley needs.

1 But foremost, I would like to thank the Board for
2 their ruling last October that mandated a more robust
3 planning process on PM2.5 in the valley. This has kicked
4 off a very important public process, and I cannot stress
5 enough the value added by ARB staff.

6 I'd especially like to call out a Karen Magliano
7 who has provided her expertise and assistance all along
8 the way. Since that ruling, we've had multiple public
9 workshops and a series of public advisory work groups.
10 And ARB staff have laid out a pathway to attainment. This
11 pathway includes a 30 ton per day reduction of NOx. And
12 ARB is responsible for about 85 percent of NOx emissions
13 in the Valley. So control measures will have to come from
14 this agency. And unfortunately, the Mobile Source
15 Strategy as it laid out today does not get us to that
16 goal.

17 So advocates and ARB staff agree that we're going
18 to de -- going to need to do more in the coming months.
19 And opportunities for reductions lie in what ARB staff
20 would like to target, including heavy-duty diesel trucks,
21 and construction equipment, and zero emission vehicles.

22 But also, I'd like to note that there are
23 opportunities that lie in unregulated sources of emissions
24 in the valley that ARB staff have not wanted to target.
25 And this includes agricultural equipment. Agricultural

1 equipment has been heavily incentivized in the valley, but
2 has not seen any regulations. Advocates have been asking
3 for regulations on tractors, which are the second largest
4 source of NOx emissions in the valley.

5 So one of our asks today is that we see an
6 inventory ag equipment in the valley. I'd also like to
7 note on diesel powered drilling rigs are also large
8 sources of NOx. So we look forward to seeing those
9 commitments in the future. And thank the Board again for
10 their ruling last year.

11 Thank you.

12 VICE CHAIR BERG: Yes, sir. It's right there for
13 you.

14 MR. HERNANDEZ: Hello. Good afternoon. My name
15 is Santiago Hernandez. I live for a quarter of a century
16 on Moreno Valley, California, and I -- when I just moved
17 there 25 years ago. I commute every day to my work, two
18 hours one way. I don't want that to happen to my kids or
19 my grandkids. Then in a couple of years ago come the
20 World Logistics Center project that I support all the way.

21 And last year, we approved it, that project. The
22 citizens of Moreno Valley approve it. And our developer
23 Highland Fairview who got the best builder in the west
24 coast -- I mean -- yeah, the west coast of the United
25 States.

1 For example, the sketcher, they call it
2 warehouse. I call it a piece of art, because they're
3 green friendly, energy efficient, and lead free. So
4 there's one example of what's going to build on World
5 Logistics Center. So those associations or groups, the
6 CCAEJ, they oppose it, or sue our city. They're suing
7 our, the residents of Moreno Valley, the citizens.
8 They're not suing the city, because everybody approve it,
9 all the citizens. So if they go against us, remember that
10 they respect of the rights of others is a piece. Thank
11 you.

12 (Applause.)

13 MR. WRIGHT: Chairman, Board, glad to be here.
14 Frank Wright, resident of Moreno Valley. I'm here to
15 support the Logistic World Center. It's unfortunate the
16 lady -- many of the residents of San Bernardino live in
17 conditions where they're heavily congested with industry,
18 such as the railroads, but they're forced to live in
19 conditions because of their lack of having proper jobs and
20 the education.

21 The World Logistics Center has taken this in will
22 and compensation. Sixty percent of the people in Moreno
23 Valley are Latin people. And the mayor and three members
24 of the Board are all Latinos, and these people are crying
25 for new jobs, and to be able to eliminate commuting 60

1 miles a day away from their families.

2 The whole program there is to get the families
3 close together and united, and get them better jobs,
4 employment. The warehouse is not just only just
5 warehouses for drawing in private industries, which bring
6 in more jobs, well paid jobs, not menial jobs, but if
7 you -- you have from laborers, to technicians, and to
8 supervisors. All types of jobs available.

9 Progress is inevitable. In every city it's going
10 to happen. We're going to change. It's also -- Mr. Ito
11 Bensedy[phonetic] has already taken care of with the
12 agencies, like the one that we just talked to here,
13 considering the conditions of the trucks coming in. There
14 will be a lot of trucks, but they're designed to enforce
15 to be low image -- emission, which another agency progress
16 had just mentioned.

17 So the program there is to enhance the livelihood
18 of people, even for the people here in San Bernardino,
19 that can be progress to a better way of life, and also to
20 educate the kids coming out of our high school, so they
21 can have a well educated job right there in the city
22 instead of having to go out of town to find another job.

23 So the education is there is involved too. Plus,
24 all the good work that people can have. You know, fine
25 lifestyle. That's the importance of it right then and

1 there.

2 So with all of that, even with the help of the
3 trucking situation, all those problems will be worked out.
4 When the Golden Gate Bridge and the Bay Bridge in San
5 Francisco were developed, it was big problems, but they
6 all were worked out. We can do the same in Moreno Valley.
7 We might even have our own airport eventually, but that's
8 the progress to motivate the people and that's we're
9 asking that you recognize.

10 Thank you so much.

11 (Applause.)

12 VICE CHAIR BERG: Thank you, Mr. Wright.

13 MR. OKUROWSKI: Is Dr. Aguilar here?

14 VICE CHAIR BERG: No, I'm sorry. He already
15 went.

16 MR. OKUROWSKI: Thank you.

17 VICE CHAIR NICHOLS: Thank you.

18 MR. OKUROWSKI: Members of the Board, my name is
19 Peter Okurowski. I'm here on behalf of the Association of
20 American Railroads, Union Pacific Railroad, and BNSF
21 Railway.

22 We've been working voluntarily with CARB for over
23 20 years, and we've met every requirement of our voluntary
24 enforceable agreements, and we've cut our NOx by over 70
25 percent since 2000. We support the adoption of the AQMP

1 and the mobile sources measures today. And we continue to
2 join with our goods movement partners to strongly oppose
3 indirect source rules.

4 Indirect source rules will have a chilling effect
5 on job growth, will lead to increased vehicle miles
6 traveled and emissions, will likely increase the cost of
7 rail transportation, and will stifle innovation and
8 collaboration.

9 We also believe that ARB lacks the authority to
10 establish emission reduction targets or Indirect Source
11 Rules for railyards.

12 Finally, ARB, Caltrans, and GoBiz are working to
13 implement the Sustainable Freight Action Plan. And we
14 believe that any discussion of indirect source rules or
15 facility cap concepts should be discussed in that forum.

16 Thank you very much.

17 MR. CHATTOM: Good afternoon. My name is Mike
18 Chattom from the Watts Area Neighborhood Council, as well
19 as from the Watts area. That is one of the most polluted
20 areas in the nation. Unlike what the gentleman just said
21 before, I see the train go right down the street on the
22 Alameda corridor every day.

23 And I'm sorry to say that it's very polluting,
24 and a lot of our children, who are in the Watts area,
25 breathe these components of agents that come from these

1 trains. So unfortunately, we want to eliminate all type
2 of contaminants that comes from those trains that inhibit
3 our children who have more respiratory issues than
4 probably any other area in the nation.

5 Me and Ms. Gordon, the lady that was here a
6 couple hours ago, went to the Crescent City Foundation in
7 Chicago, Illinois and studied this issue for four days.
8 And unfortunately, these in-house warehousing people who
9 receive these products from these trains have polluted the
10 area. And they have a tendency to have a lot of greed.
11 And greed, as Michael Douglas said, is not good. And I'm
12 not here to tell you something that's unfactual. I see it
13 each and every day.

14 So again, we're here to convince you to adhere to
15 the regulations stringently, and give us the results that
16 we're looking for to have a better tomorrow for our
17 children.

18 And I'm asking you and pleading that urge you to
19 do the right thing. Spike Lee started that. Thank you.

20 (Applause.)

21 VICE CHAIR BERG: Thank you, Mr. Chattom.

22 While the next speaker comes up, I'm going to go
23 ahead and call for the last -- anybody who hasn't signed
24 up, would you please sign up. We're going to go ahead and
25 cut off the testimony here in the next couple of minutes.

1 So if you haven't signed up, please do so, and then we
2 will right now finish up with, at the end, Pedro Garcia
3 will be our last, if no one else signs up.

4 So is Nancy Whitehorse?

5 MS. SILVA: She spoke.

6 VICE CHAIR BERG: And we've got Joana Silva, she
7 spoke.

8 Joana Silva.

9 Okay. Thomas.

10 MR. JELENIC: Good afternoon. Thomas Jelenic
11 with the Pacific Merchant Shipping Association. As you've
12 already heard from Chris Cannon and Heather Tomley today,
13 the maritime industry has achieved incredible success in
14 reducing emissions. Diesel particulate matter has already
15 been reduced by 85 percent.

16 This was achieved even though the industry has
17 not recovered from the great recession. Nearly a decade
18 on, San Pedro Bay -- the San Pedro Bay Port complex has
19 not recovered to their pre-recession levels.

20 So it's amazing that we've been able to achieve
21 this great success with -- without the growth that we were
22 hoping for. But today, we're here to ask that this Board
23 not consider Indirect Source Rules. ISRs do not provide
24 the necessary tools to reduce emissions. ISRs will not
25 provide new engine standards. ISRs will not provide new

1 technology. ISRs will have unintended consequences. And
2 ISRs will result in cargo diversion.

3 You've heard that cargo can't go elsewhere. This
4 is just wrong. Southern California has already lost
5 significant market share over the past decade. That is
6 lost jobs, and lost economic activity.

7 Instead, we ask the California Air Resources
8 Board to continue the collaborative work on the
9 Sustainable Freight Action Plan. Initiated by the
10 Governor, the Sustainable Freight Action Plan takes a
11 comprehensive approach looking at air quality, efficiency,
12 and competitiveness.

13 We ask that the Board continue to make use of the
14 current programs, and not consider ISRs that will only
15 delay further emission reductions.

16 Thank you.

17 VICE CHAIR BERG: Thank you.

18 MR. BRUGUERAS: Good afternoon, Supervisors,
19 Chair. My name is Rafael Brugueras. And I live in Moreno
20 Valley. I want to start with my conclusion. I want to
21 start with the ending of my story, so I can bring you to
22 the beginning of why I'm here.

23 As an activist, I prepare communities for growth
24 and change. Their views -- my views help citizens have
25 input and help county governing boards make informed

1 decisions.

2 Okay. The impact of good planning may take some
3 years to be recognized. And orderly growth pattern takes
4 time as well as input from the people who care about their
5 communities.

6 I am one of them. I fight for jobs. I love
7 development, because without development, we don't have
8 what we have today, or you don't live in what you have
9 today. Okay.

10 There's another thing that I learned today in the
11 last few years, I became an intern about asthma. I asked
12 Google to help me to understand what that meant. My
13 rubber band holds up my phone, because I'm not here to
14 please anyone, but to inform you that asthma comes in many
15 different shapes and forms, not only air, but part weeds,
16 dust, being in a closed room, eating the wrong food, okay?

17 There's different kind of asthmas. I do have
18 passion for those that passed away. Really, I really do.
19 I'm sorry for their loss. But don't blame air for all the
20 problems, because we just heard from professional men and
21 women that we're doing better, and we're continue to do
22 better as long as you have an open mind to what you hear
23 tonight, today, this afternoon.

24 I'm nobody, but I know when I hear truth, and I
25 fight for truth. In Moreno Valley, Mr. George Hague

1 mentioned the World Logistics Center. That's a project
2 that I fought for, because I was in my own room minding my
3 own business until somebody knocked on my door and I went
4 across the street to see that project, and I thought wow,
5 20,000 jobs. See, I work for Ralphs Food 4 Less for 30
6 years in a warehouse and I retired in 2010. And I left in
7 2009 with \$88,000. I worked hard, real hard, something
8 that my mother thought me. And that's why I'm here,
9 because of her, because she taught me how to work hard.

10 So I believe your staff. They work very hard to
11 put this proposal together to show you that there's
12 another direction that we can go. So if we incentivize
13 people to do better, because I work for incentive. Boy,
14 you pay me an extra hour or two, I had a day off or I
15 gained some money. That's how I made \$88,000.

16 I work very hard, but it cost me. It cost me to
17 retire. And that's okay. I'm happy with my little
18 pension and my medical. That's the point of working.
19 There's a point of big warehouses. Of all the grief, I
20 could have been a supervisor or manager, but I chose not
21 too. I like going home at 5:30. I didn't have to be a
22 manager to be off Tuesdays and Wednesdays, you know. I
23 work for my incentive, my seniority.

24 So anyway, Moreno Valley is a greenhouse. We
25 fight for development. We fight for environment. We do

1 not allow any company to come in and restore our cities.

2 VICE CHAIR BERG: Thank you very much.

3 (Applause.)

4 VICE CHAIR BERG: We have two last speakers. And
5 so we're cutting off the -- being able to sign up for
6 anybody else. Let's have Pedro Garcia I think is going to
7 come up, and we have someone translating?

8 MR. GARCIA(through translator): Thank you for
9 the opportunity. My name is Pedro Garcia. I'm a resident
10 of the Moreno Valley, and I respect the comments against
11 the World Logistics Center project, but I do not agree
12 with them. My position is towards the creation of more
13 jobs in our community. I understand that it's important
14 to take care of our health with good air quality, but
15 caring for the emotional health of families is also
16 important. And economic support will create this with
17 more jobs.

18 Remember that depression is one of the biggest
19 sicknesses on a worldwide level, and the creation of more
20 jobs is what will support the families. My position is to
21 create more jobs in Moreno valley.

22 Thank you.

23 (Applause.)

24 CHAIR NICHOLS: We have one last speaker, I
25 believe. Mr. Katz. You are the last person who signed up

1 to speak.

2 MR. KATZ: Hello, my name is Gerald Katz. I live
3 in Perris, California. I started in environmental work in
4 the early seventies and got my degree in health and human
5 environment from San Bernardino State University. And it
6 was an integrated approach that air, water, pollute -- and
7 the on-the-job hazards, prenatal health care nutrition.
8 These were all integrated things for -- to protect the
9 health and that health was even just not the absence of
10 disease. It was a positive social, psychological,
11 spiritual well-being a positive thing.

12 And we were also taught that, you know, in the
13 section on occupational health is -- you know, it's
14 dangerous if someone is in a hazardous environment. It's
15 not good for their health to be breathing toxins. It's
16 also not good for their health to be unemployed. So
17 rather than stop things, we were encouraged to be
18 creative, to be make creative solutions that would not
19 only keep jobs, that would expand the economy, that would
20 be more productive by taking something that would be a
21 waste or a pollutant and making it something of value.

22 And I did actually -- and I worked for 10 years
23 in San Bernardino for a community development, where we
24 were training young people for the coming solar industry,
25 insulating homes, rebuilding derelict housing. And then

1 for 20 years, I worked for utilities. I also worked for
2 Edison for a while, contracts with SoCalGas, Sandia Labs,
3 the State of California.

4 And the programs we implemented in the City of
5 Colton, we had a pot of money a small percentage, and that
6 went for public goods funds, and we would invest that back
7 to the customers to help them pay for improvements. And
8 we got -- and sometimes it took us, I remember, you know,
9 one company we went to about lighting in their building,
10 changing it. And it took them 10 years to realize they
11 would save a lot of money if they did that. So it takes
12 time, but the innovations that happens.

13 And I'm wondering whether this plan is setting
14 the goals in what is going to be done for the next 10, 20
15 years or will it be flexible through the legislature or
16 other means as new problems, because I did notice
17 somethings were emitted. I was reading through it and
18 I've been working with people at the Salton Sea about
19 creating solar sustainable communities using all of that
20 solar energy, the geothermal to bring industry there using
21 clean energy, desalinating the water.

22 And you might have heard about the dust problems
23 there. And I didn't notice that, when I saw Coachella is
24 on this, and there's nothing about PM2.5 -- when I
25 started, it was 10, now we're down to 2.5 There is

1 nothing on that about dealing with that issue. So I want
2 to know that as new problems become aware, this can be
3 added to it.

4 Is new solutions? You know, 10 years ago an LED
5 flashlight was \$25, and now, -- we were giving them away,
6 after we found out the LED -- the compact fluorescents
7 people mercury, mercury.

8 But I hope that you will consider that this
9 should be open for changes for -- as we become aware of
10 new problems, and make it so that new solutions, and some
11 enforcement, especially if you can take some money for the
12 pollution, put it into a fund and say you're ready to make
13 a change here it is.

14 CHAIR NICHOLS: Thank you. Your time is up.

15 Okay. We have a board member's light flashing
16 somewhere or is this -- this system is a little odd.

17 BOARD MEMBER MITCHELL: Judy.

18 CHAIR NICHOLS: Judy, your name did not come up.
19 Okay. Hi.

20 BOARD MEMBER MITCHELL: I think with the close of
21 the testimony Madam Chair, I'd like to ask Barbara Baird
22 to come to the podium and address two issues. One was the
23 process issue that people have raised regarding the
24 amendments made at the end of the -- at our final hearing
25 on this.

1 And the other issue is the funding plan and the
2 incentive measures, and how that fits into the AQMP,
3 whether it's part of the AQMP, whether it is not. And
4 Barbara can address both of those for us.

5 CHAIR NICHOLS: Okay. So just to be clear then,
6 we are closing testimony at this time. And we'll be
7 turning then to discussion.

8 So welcome.

9 MS. BAIRD: Thank you, Chair Nichols and other
10 members of the Board. Yes, I would like to address the
11 issue raised concerning the amendments that were approved
12 by the governing board. The federal and State case law is
13 very clear that agencies are not required to adopt exactly
14 what is proposed to them. The tests are phrased slightly
15 differently under federal and State law, but it's our view
16 that the tests were satisfied in both cases.

17 Under the federal requirements, which we look to,
18 because this is a SIP revision, which is a federal
19 measure. The federal courts of appeal say that agencies
20 are free, indeed they are encouraged, to modify proposed
21 rules as a result of comments they receive. Thus, a final
22 rule is proper if it is a logical outgrowth of the
23 proposal, meaning that interested parties should have
24 anticipated that such a change was possible, and that they
25 should comment on it.

1 And as Board Member Mitchell mentioned, the
2 issues both with respect to RECLAIM and with respect to
3 the Indirect Source Measures were raised. And, in fact,
4 people did comment against both of those proposals during
5 the rulemaking process. And that's the case of Northeast
6 Maryland Waste Disposal Authority versus EPA.

7 Under State law, the governing standard for the
8 South Coast plan is not specified by statute, so we look
9 for applicable case law, which was actually established
10 with respect to an action taken by this Board years ago,
11 Western Oil and Gas versus Air Resources Board. And the
12 State Supreme Court said that one of the purposes of the
13 hearing process is the eventual adoption of a regulation
14 different from that described in the prehearing notice.

15 To require a new notice and hearing would tie the
16 agency into timing-consuming circular proceedings.
17 Accordingly, the regulation may not be the same as
18 proposed, as long as it deals with the same issue or
19 subject.

20 And so although the statute has been amended
21 under the administrative procedures act with regard to
22 your Board's rulemaking, this remains the applicable
23 standard. And as was mentioned, these issues were both
24 adequately discussed during the rulemaking -- during the
25 plan development process.

1 Finally, although the actual motions were not
2 made until the February meeting, both Supervisor Kuehl and
3 Board Member Mitchell did discuss that they intended to
4 make these motions at the February meeting. The District
5 staff announced that we would accept written comment
6 letters in between the February and March meetings, so
7 people did have an additional opportunity to comment,
8 which was not required by statute.

9 The second issue that I wanted to address, when
10 the Board was discussing the fact that the funding plan is
11 not before the Board, and it's not technically a part of
12 the plan, I think Board Member Takvorian raised a concern.
13 And also a commenter raised a concern is -- which I
14 paraphrased as is the plan really complete, and approvable
15 without the incentive plan being part of it?

16 And the answer is yes. First of all, some of the
17 incentive measures, such as the Carl Moyer Program and the
18 District's SOON Program, which feeds off of one of your
19 rules, have funding programs already in place and have
20 already been approved by EPA.

21 But more fundamentally, EPA expects to approve,
22 as much as possible of this plan, under the traditional
23 criteria, which would include fully funded measures. And
24 as well as enforceable commitments to adopt measures, both
25 of which are in the plan. And this is not a one-time

1 decision today. We're not -- we're -- EPA is not going to
2 judge by what has been funded today, the day your Board
3 adopts the plan, but rather what has been funded by the
4 time EPA takes final action.

5 So as funding is identified over the course of
6 the period of time that EPA takes action, they will
7 approve measures that are fully funded. But most
8 importantly, for the remainder of the measures, which are
9 the your Board's further deployment measures, as well as
10 federal and international measures, EPA expects to approve
11 them under Section 182(e)(5), if they haven't been fully
12 funded by the time of action on the plan.

13 And that, of course, is the provision that some
14 people call the black box. But for this approval
15 mechanism, it's not necessary to show that funding is
16 available before EPA approves the measures in the plan.

17 They can approve those measures under 182(e)(5),
18 and we will then have the opportunity to implement the
19 measures over time as funding is identified. It's an
20 iterative process that is -- and a ongoing process that is
21 anticipated.

22 So with that, I'd be happy to answer any
23 questions on those subjects or others that the Board
24 members have for the South Coast.

25 VICE CHAIR BERG: Thank you so much for that

1 explanation. Could you also just make a comment on time
2 after time we heard that the plan is not enforceable,
3 and -- and give us your view on obviously why it is
4 enforceable and does meet the criteria of an approvable
5 plan?

6 MS. BAIRD: So with respect to the traditional
7 measures that EPA approves, as well as the enforceable
8 commitments to adopt measures, for example, we have
9 enforceable commitment to adopt a RECLAIM measure, those
10 are directly enforceable in court. And if we don't
11 undertake an action to implement that measure, we can be
12 sued by citizens in federal court to enforce that measure.

13 With regard to the 182(e)(5) measures, the
14 enforceability works a little bit differently. The real
15 enforceable hammer is the commitment that was made by your
16 staff in the plan to submit a contingency measure three
17 years before the attainment deadline, which would attain
18 whatever emission reductions are -- remain necessary in
19 order to attain the standard. So it's the commitment to
20 adopt a contingency measure three years before the
21 standard that is enforceable with regard to the 182(e)(5)
22 measures.

23 VICE CHAIR BERG: Thank you.

24 MS. BAIRD: Thank you very much.

25 CHAIR NICHOLS: I think the -- there's a great

1 deal of disconnect between the people who live in the area
2 who are active and organized and who don't feel that
3 action is happening fast enough, and the people who write
4 plans and try to develop the regulations. Some of the
5 disconnect is about just the process by which things get
6 approved by EPA and the timing of these air quality plans.

7 Some of it is undoubtedly poor communication or
8 at least inadequate communication on the part of the State
9 and the local agencies about what they actually are doing
10 and planning. Some of it I'm very sad to hear is that we
11 still are plagued with this dichotomy between having a
12 vibrant growing economy and good jobs and dealing with our
13 air quality problems.

14 And, you know, we've been at this since the
15 1970s, and we still haven't cured every bit of air
16 pollution by any means. But if you look at the growth and
17 you look at the jobs and the people and at the air quality
18 improvements, you would have to say that we've really
19 demonstrated over and over again that these two things
20 don't have to be in conflict. And yet, whenever we come
21 up against a set of plans, and it looks as though industry
22 feels like they're pushing too hard, and the community
23 feels like we're not pushing hard enough, that's where we
24 end up.

25 I'm not saying that means that we're in the

1 perfect place. It's pretty clear that where we are today
2 requires this Board to be more open and more assertive
3 than we have been about our responsibilities to assure
4 that the -- that the goals will be met. But at the same
5 time, I think there's a lot of good here, and I think that
6 the District in many ways deserves praise for having gone
7 as far as they have, not just in terms of their past
8 achievements, but of being creative about how to deal with
9 the uncertainties of the future.

10 So with that, I would like to ask if there are
11 Board members at this point who have additional comments,
12 questions, or suggestions before we move to take action
13 starting with you, Ms. Mitchell.

14 BOARD MEMBER MITCHELL: Madam Chair, thank you
15 very much. First of all, I want to recognize the staff of
16 AQMD and the staff of the Air Resources Board who worked
17 collaboratively on this, that really worked hand in hand
18 to come up with an AQMP that addressed both mobile sources
19 and stationary sources. As we all recognize, much of the
20 pollution in our region comes from mobile sources. And
21 it's absolutely necessary that the districts, which are
22 responsible for stationary sources, work together with the
23 Air Resources Board to reach the federal targets that --
24 and standards that are set down for us. So I think that
25 was really one of the hallmarks of this AQMP, that

1 collaboration.

2 Secondly, I want to say that what all of us do on
3 this Board is we always try to balance the environmental
4 issues with the economic issues. And actually, as
5 Chairman Nichols pointed out, the economy has actually
6 been changing and thriving as a green economy. So some of
7 the regulatory measures that we adopt actually had
8 wonderful new innovative jobs, and lead to new technology
9 that creates new jobs. And we think that that is
10 certainly possible with the plan that is before us today.

11 It's difficult I think for all of us up here to
12 hear the heart-wrenching testimony of the families who
13 suffer from the impacts of air pollution. And we all
14 recognize that our primary goal as members of this Board
15 is to protect the health of the public. We're carrying
16 out the mandates of the Clean Air Act, which was enacted
17 to protect the health of the public.

18 And, as you know, we have doctors on our Board,
19 we have many people on our Board who have specialized
20 knowledge, and care deeply about the health of the public
21 and the health of the residents of California.

22 This plan real really is a regulatory plan, as
23 was pointed out. We looked to incentives in some cases,
24 because I think we need to recognize that the
25 transformation of mobile fleets will absolutely require

1 incentives. And we work together with both regulatory
2 measures on mobile fleets, as well as the incentive
3 measures for mobile fleets.

4 We have some new technologies for low NOx drayage
5 trucks and heavy-duty trucks that provide for now an
6 immediate pathway to cleaner air. And the South Coast Air
7 District when they approve this plan brought forward a
8 motion to amend the plan to add a focus on those low NOx
9 trucks that can be immediately deployed to reduce NOx
10 emissions in our legion.

11 So obviously I'm supportive of the plan. I
12 participated in the many, many weeks and months of
13 developing the plan, and I hope that this Board will
14 approve it. Thank you.

15 CHAIR NICHOLS: Ms. Riordan.

16 BOARD MEMBER RIORDAN: Thank you, Madam Chairman.

17 We certainly heard a wide range of testimony
18 today. And I appreciate all those who came both for and
19 against. And I would just like to say that my support of
20 the staff recommendation is for the following reason:

21 I think we have a partnership that's before us,
22 but also I look to our staff as being the objective third
23 party looking at the air quality plan proposed in the
24 South Coast. And I do believe that staff has made a
25 strong recommendation to approve the South Coast AQMP and

1 to forward it on to EPA as part of our State Program.

2 With that, I want to also say that I have lived
3 in this area for a number of years, being born and raised
4 here, and recognize the progress that we've made, and at
5 the same time, know that we need to do more work. And
6 that is, I think, embodied in the plan that is before us.

7 And so with that, I just want to say that I'm
8 going to be supporting staff recommendation for approval.

9 CHAIR NICHOLS: Okay. Dr. Sperling.

10 BOARD MEMBER SPERLING: This is a tremendously
11 ambitious and innovative plan. I want to -- and it will
12 be influential also. But there's one specific item I did
13 want to address. It's in the resolutions. And it deals
14 with the Indirect Source Review. The resolution says that
15 the Board directs staff to participate with the District
16 in the development of the facility-based mobile measures,
17 and it goes on.

18 I'm asking what Indirect Source Reviews, as many
19 people have pointed out, have a checkered history and are
20 difficult to do. And so I'm wondering is this committing
21 us to actually developing specific Indirect Source Review
22 rules, and is there a timetable implied by this? So I
23 guess it's more of an interpretation because I think we
24 want to be really careful about this one?

25 CHAIR NICHOLS: Yes. Mr. Karperos, do you want

1 to respond?

2 DEPUTY EXECUTIVE OFFICER KAPEROS: So the AQMP
3 includes what they call facility-based measures for four
4 sectors, marine ports, airports, distribution centers, and
5 railroads.

6 The actions called for in the AQMP for three of
7 those, for marine ports, distribution centers, and
8 railroads is to continue the voluntary and collaborative
9 process that's been underway now for some time, to
10 continue that over the course of the next year to identify
11 specific direct actions that could be taken to further
12 reduce emissions and deploy the sorts of technologies that
13 are called for in the Mobile Source Strategy at those
14 facilities. The District staff will be reporting on a
15 very regular basis back to their board about the progress
16 of that.

17 With the decision point at the end of a year,
18 where if the progress was not appropriate, and that would
19 be the local air district's decision, if progress was not
20 appropriate at that point, the District would pivot, to
21 use the word that was used at the air district hearings on
22 the AQMP, to a rulemaking process.

23 For airports, the AQMP envisions take -- starting
24 a indirect source rulemaking process now. For all four of
25 those, the first year is really very -- very much a focus

1 on data gathering, developing the sort of concepts that
2 might go into rule identifying what the -- as I said
3 earlier, the direct measures that would bring about the
4 emission reductions at those facilities.

5 And what we're talking about is for ARB staff,
6 because much of that effort is directly focused on mobile
7 sources, that we would want to be very much engaged in
8 those deliberations. But in the case of the AQMP, those
9 would be district rule-makings.

10 BOARD MEMBER SPERLING: Okay. So it's really the
11 AQMD is taking responsibility and we're just participating
12 in it, if I can use shorthand for what you just said?

13 DEPUTY EXECUTIVE OFFICER KAPEROS: You got there
14 much quicker than I did, yes.

15 (Laughter.)

16 CHAIR NICHOLS: Yeah. I do think though if the
17 AQMD is moving forward in this area, that it behooves us
18 not to just sit back and wait for them to present us with
19 something, but to be actively engaged.

20 Okay. Dr. Sherriffs is next on my list.

21 BOARD MEMBER SHERRIFFS: Thank you.

22 Yes. Boy, thanks to AQMD, thanks to staff for
23 all of their work, for their collaboration, for their
24 optimism. Many thanks for the testimony from everybody
25 today. It's a challenge. It's a lot of hours of

1 testimony. It's a lot to absorb and then remember, oh,
2 there was something three hours ago I wanted to comment
3 on. I hope I remember.

4 But it's so important that there was such a good
5 engagement. So really, I think that's a compliment to the
6 air district here that this brought so many, many, many
7 people out.

8 You know, much of the testimony would suggest
9 stop, let's get it better before we approve it. You know,
10 this is a little bit like health care. Being a physician,
11 providing health care, is a very humbling experience,
12 because in a sense, we never get it right. We never do as
13 much as we could do, but I think it's always important in
14 every encounter with a patient to do something that moves
15 things forward, and not to worry about doing everything
16 now, because often trying to do everything now means we
17 get nothing done. Or as I'm fond of saying, if I want a
18 diabetic to do nothing, suggest 10 really good things to
19 do. And if I want them to do something, we need to decide
20 on one and think about that hard and work on that. So
21 doing enough and moving things forward, that's the
22 important thing.

23 Of course, I'd like to see shorter timelines
24 wearing my San Joaquin Valley Air Pollution Control
25 District hat. I wish there was more that specifically

1 helped the valley in terms of our 2.5 goals and timeline,
2 but I think this Board is committed. When we tabled the
3 Valley's plan back in October, this Board is committed to
4 that ongoing process, public process, collaboration with
5 San Joaquin, and identifying and agreeing on more specific
6 mobile source strategies, as well as specific direct PM
7 contributions from the valley, so that is an ongoing
8 process. And I don't think we need to hold this plan up
9 in order to continue with that very positive process.

10 No plan is ever perfect. And I think, as was
11 commented earlier, we need to be very clear that there are
12 benchmarks along the way that, no, we're not coming up
13 with this plan and in 10 years we'll look back and see if
14 we got there, but, in fact, we are looking along the way
15 are we, in fact, making progress? And if we're not, then
16 yes, we need to be changing our approach.

17 So I, at the end of the day, am in favor of this.

18 Thank you.

19 CHAIR NICHOLS: Ms. Eisenhut.

20 BOARD MEMBER EISENHUT: Thank you.

21 BOARD MEMBER SHERRIFFS: Yeah, and I'm sorry, but
22 I did want to mention one other --

23 (Laughter.)

24 BOARD MEMBER SHERRIFFS: There was a comment, you
25 know, something that -- in terms of agriculture, tractors.

1 We've talked about doing that, and that's not really part
2 of this plan, but it's really important for the valley
3 for, I think, PM2.5. And at some point, we -- we -- we --
4 this year, we have to make a commitment to get started on
5 that, whether it's just developing an inventory, so we
6 know what we're dealing with, so which are the most
7 important tractors to target in terms of incentives or
8 however we're going to approach that, but we've talked a
9 lot about it. And this year we need to do it. We need to
10 get started on that path.

11 BOARD MEMBER EISENHUT: Thank you, Chair Nichols
12 for -- am I on?

13 I'll try it again.

14 Thank you, Chair Nichols, for framing the
15 question and acknowledging the tension in the room, and
16 the diversity of opinion that we -- or testimony that
17 we've heard. I'm going to do a -- and by the way, thank
18 you also for acknowledging the left bank of the podium
19 here. We're -- the two of us -- the two of us are out on
20 our own. We --

21 (Laughter.)

22 BOARD MEMBER EISENHUT: We -- I'm going to do
23 what I do worst and that is acknowledge a little personal
24 journey. I heard today from folks, and I just want to --
25 we heard you. I grew up and still work next to the tracks

1 and the freeway in the San Joaquin Valley. This -- and
2 -- and have the -- acknowledged the consequences of so
3 doing.

4 And so this is a decision that is not made in a
5 vacuum. And I think each of us on this Board, as we
6 grapple with this decision, have our own journey that's
7 caused us to be where we are. This action -- and I'm
8 prepared to support the action -- it is, what I would
9 call, a faith-based project.

10 There are -- there are black holes, nuances both
11 in the process and in the budget. And as a consequence of
12 that, and I heard staff say earlier that there would be an
13 annual review, I would -- I would request that that annual
14 review come with benchmarks, and that we have targeted --
15 and I don't have some specificity to that, but that we
16 have some very targeted benchmarks that we intend to
17 achieve at the time of that annual review, so that it's
18 more than a report. It's an invitation for remedial
19 action, should we not be achieving those benchmarks.

20 So that's -- and in addition, I would -- this is
21 a separate issue, but the San Joaquin Valley, while that's
22 a -- the 2.5 plan for the San Joaquin Valley is a separate
23 but related issue, I want to affirm Dr. Sherriffs'
24 request. I think that off-road mobile equipment, in order
25 for us to move forward in a meaningful way in that

1 project, we need an inventory, and a use inventory in
2 order to put some meaning and structure to the decisions
3 that we're going to be making in that endeavor.

4 Thank you.

5 MR. MARQUEZ: You're not meeting currently these
6 benchmarks.

7 CHAIR NICHOLS: Dr. Balmes.

8 BOARD MEMBER BALMES: Thank you.

9 So let me reiterate what several of my fellow
10 Board members have said. As a physician we knows about
11 air pollution's effects on public health, you know, it's
12 really hard to listen to all the stories of affected
13 families and individuals -- individual patients. Believe
14 me, I know the science, and I understand that science
15 supports your concerns to try to have clean healthy air.

16 I also appreciate the testimony of others, such
17 as the representatives of the ports, which I think should
18 be congratulated for trying to improve the emissions from
19 their facilities, because the communities around the ports
20 are particularly impacted. And I wish I could say the
21 same about perhaps the other three sectors that are being
22 considered for Indirect Source Rule. But I want to call
23 out the ports, because I think they have done a pretty
24 good job of trying to improve emissions from their
25 facilities.

1 I'll start with the State overview SIP. And I
2 want to second Mr. Eisenhut's request for targeted
3 benchmarks with regard to the annual review. I really
4 think we need to have staff report back on progress
5 regarding securing funds for the incentives.

6 As I said, at a previous Board meeting, I think
7 actually the amount of money that we need to properly fund
8 incentives, you know, it's really a lot. I agree with Mr.
9 Eisenhut's characterization of this as faith based.

10 Maybe a more positive way of saying it that it's
11 aspirational. Another way to look at it, it's fantasy in
12 the current scenario both at the State level where we now
13 have a concern about a deficit, and certainly at the
14 federal level with regard to EPA.

15 In terms of the -- you know, another benchmark is
16 I think we need a report back on achieving targets for
17 zero emission vehicles, and other technologies. You know,
18 it's -- like I said, it's aspirational. It's great that
19 we have all this potential technology, but we have to see
20 it actually be on the roads and implemented. So that's a
21 State level.

22 At the South Coast Air Quality Management
23 District level, like I said, I think the ports are doing a
24 good job. The airports are required under this to make
25 improvements, but for the logistics industries, and

1 railroad, and ports, it's voluntary. And as we heard
2 testimony, there's a lot of logistics industry out here
3 where the air is already bad.

4 I'm not sure that a voluntary process is going to
5 work. This is another area where I think we need to be
6 ready to make regulatory commitments if, you know, the
7 voluntary progress isn't made. And I realize that that's
8 sort of in the South Coast plan, but I really think at the
9 State level, we have to be ready to step in if we're not
10 meeting these targets.

11 And then with regard to the South -- or, excuse
12 me, the San Joaquin Valley, I appreciate that both of the
13 folks on the left bank over there -- last time, I've heard
14 that -- or first time I've heard the valley being called
15 the left anything.

16 (Laughter.)

17 BOARD MEMBER BALMES: But I appreciate that they
18 both mentioned the need to do something about ag
19 equipment. As somebody who doesn't live in the valley,
20 but does research there, and have done -- have done some
21 research for a long time in terms of air pollution, I
22 think that, you know, it's -- the PM2.5 problem needs to
23 have ag contributing to the solution, and I would say
24 diesel drilling equipment as well needs to be considered
25 so I appreciate my fellow valley Board members bringing

1 that up.

2 So with that, I think I'm done.

3 CHAIR NICHOLS: Okay. Mr. De La Torre.

4 BOARD MEMBER DE LA TORRE: Thank you.

5 I want to acknowledge one thing that's in here
6 that is very, very important. It's been mentioned, but we
7 can't mention it enough, which is the phasing out of
8 RECLAIM.

9 It has been something that's been going on for a
10 while. A lot of concern about it. And here we have a
11 proposal in front of us that phases it out. So that
12 cannot be minimized or underestimated in terms of the
13 importance and the change within the AQMD plan.

14 But there have been some concerns that have been
15 expressed about black box, green box, whatever you want to
16 call it, the funding issues, this kind of, you know,
17 nebulous promise of where things are going to go. And the
18 second is the Indirect Source Review.

19 Those two things give me pause, and should give
20 us pause, because we're the ones who have to forward this
21 to the federal government with our seal of approval. And
22 so going forward, I think we need to have more oversight,
23 more engagement, not just as a rubber stamp at the end of
24 the time, but throughout the process.

25 And to that end, I'd like to introduce a

1 resolution that would provide that. That would be an
2 ongoing partnership with AQMD on this plan, so that we can
3 do those two things. So I believe there's a copy of it
4 somewhere that can be handed out to the Board members, and
5 then we can talk from that.

6 CHAIR NICHOLS: Great.

7 BOARD MEMBER DE LA TORRE: And while they're
8 doing that, I'll read it.

9 This is a resolution -- proposed Resolution 17-7
10 to the Air Quality Management Plan for ozone and PM2.5 in
11 the South Coast Air Basin, and the Coachella Valley.
12 That's the core, and then this would be 17-8.

13 "Whereas the proposed State SIP Strategy and
14 the 2016 South Coast Air Quality Management Plan
15 reduce NOx through measures to accelerate
16 deployment of clean technologies and will require
17 more aggressive incentive and other programs than
18 our in place and funded today;

19 "Now, therefore be it resolved, that CARB
20 staff will report back to the Board within one
21 year on metrics for assessing progress in
22 achieving the necessary reductions outlined in
23 the proposed State Sip Strategy;

24 "Be it further resolved that ARB staff shall
25 provide an annual report to the Board on

1 implementation of the proposed State SIP
2 Strategy. This annual report shall include:

3 "One, the development status of each
4 regulation identified in the proposed SIP
5 Strategy;

6 "Two, specific actions taken to pursue new
7 funding mechanisms;

8 "Three, the amount of funding that has been
9 secured to incentivize deployment of the cleaner
10 technologies identified in the proposed State SIP
11 Strategy;

12 "Four, the number of additional vehicles and
13 pieces of equipment upgraded or turned over as a
14 result of the incentive funding programs;

15 "Five, investments made in pilot and
16 demonstration studies to advance additional
17 technologies, the status of commercial
18 application of these technologies, potential
19 issues or impediments, and recommendations for
20 further action;

21 "Six, additional progress metrics approved by
22 the Board as provided for above;

23 "Seven, identification of further regulatory
24 or emission control strategies to advance
25 technology deployment and achieve emission

1 reductions to ensure requisite progress towards
2 attainment.

3 "Be it further resolved that within 12 months
4 staff shall return to the Board with concepts for
5 an Indirect Source Rule to control pollution from
6 large freight facilities including ports,
7 railyards, warehouses and distribution centers,
8 as well as any identified alternatives capable of
9 achieving similar levels of emission reductions."

10 So in these two ways, we will be working with
11 AQMD and also with our own State plan in parallel to make
12 sure that we are setting those metrics, that we are
13 identifying the information that we need, so that we can
14 make a decision on a yearly basis of where we're at. The
15 points that were taken -- that were made today were taken
16 to heart. And many people who spoke to us before today
17 made some of the same points, and I think they're
18 extremely valid, we do need to be monitoring something
19 this important to the State of California.

20 But today, the RECLAIM piece and the other pieces
21 that are in here are so important that we need to move
22 forward, and then we can take those further steps with
23 this resolution.

24 Thank you.

25 BOARD MEMBER BALMES: Madam Chairman, could I

1 second that?

2 CHAIR NICHOLS: Okay. You can.

3 AQPSD CHIEF MAGLIANO: Chair Nichols, before we
4 have any further discussion, I've been asked to respond to
5 several additional CEQA comments that we received today,
6 and then that can be considered as part of the Board's
7 consideration of the addendum and the resolutions
8 themselves.

9 CHAIR NICHOLS: I'd like to let the Board members
10 who had already asked to speak speak first, if you don't
11 mind --

12 AQPSD CHIEF MAGLIANO: Okay.

13 CHAIR NICHOLS: -- and then we can go back to
14 staff on the CEQA item.

15 I have Ms. Takvorian, Supervisor Serna, and Ms.
16 Mitchell again. And the CEQA comments will be part of the
17 wrap-up of this conversation. Okay. Thank you.

18 BOARD MEMBER TAKVORIAN: Thank you.

19 And I just wanted to thank everyone, the District
20 and CARB staff, and everyone who's been here today, but
21 also throughout the process. And I want to especially
22 lift up in appreciation for the inclusion and the stated
23 emphasis on the most impacted communities, environmental
24 justice communities that are bearing the burden of -- of
25 this pollution. And I wanted to thank everyone who was

1 able to come today.

2 As many have testified, this plan may not be able
3 to achieve its goals. And therefore, I really do support
4 the intention of Mr. De La Torre's amendments or this
5 resolution. And I think it's the right direction to go.

6 It's -- I think it's clear from the testimony
7 that we've heard today that this plan is really about
8 saving lives. You know, it's about reducing emission, but
9 we have heard with sadness about the people for whom this
10 plan will be too late. But we have -- it will motivate us
11 to really go into the future to -- and inspire us to do
12 more.

13 So I think that we can't build a plan on shaky
14 ground. And I believe that accountability, which is what
15 I believe is in this proposed resolution, is very
16 important and I would support that.

17 I also think that a funding plan, whether or not
18 it's legally required to be included, is, in fact, linked
19 to this plan. And I believe that if we have a shaky
20 funding plan that's associated with this, then we know
21 that we can't succeed. So whether -- whatever your view
22 on a progressive sales tax, or whatever, or incentives is,
23 we need to have a funding plan that we can rely on.

24 So I would like, in a friendly manner, to suggest
25 that we -- we do say that we want to build in the

1 accountability and that we want to say that we will not
2 only look at what -- how much money has been raised, as it
3 says in this resolution, but that we will commit to taking
4 further action at that time should those dollars not be on
5 track, and should those reductions not be on track, as per
6 the plan.

7 So I would ask that we could add language that
8 would say that should the regular -- should the incentive
9 funding and should the other funding not be secured or if
10 the intended amount of vehicles have been replaced and the
11 heavy-duty trucks not have been replaced that there would
12 be within 18 months of today's date - so this is within a
13 year - that there would be a regulatory agenda for
14 achieving the remaining emission reductions assigned to
15 the Clean Air Act section.

16 I think it's important for us to commit to what
17 we're going to do if this isn't achieved.

18 So I would ask for that --

19 CHAIR NICHOLS: So can I take that as a friendly
20 amendment to Mr. De La Torre's --

21 BOARD MEMBER TAKVORIAN: Um-hmm.

22 CHAIR NICHOLS: -- proposed resolution, and ask
23 if he would accept that amendment.

24 BOARD MEMBER DE LA TORRE: Yes. And it's fine.
25 I would just make it broad for all -- all the things that

1 are here and not just pick on number 3 on 4. I would just
2 say for all of this, if we're not hitting our targets in
3 general, that we would commit to doing that.

4 BOARD MEMBER TAKVORIAN: Okay. That would be
5 good for me.

6 And I think that the other thing I would like to
7 suggest is that the timelines be improved. And I was
8 heartened to hear from the Port of Los Angeles that
9 their -- that we have moved technology forward enough,
10 that we can do better. So I think in regards to
11 particularly with cargo handling equipment, that it be
12 included. And that my recommendation is that we add to
13 this resolution that there be a requirement of 100 percent
14 compliance by 2030, and that it be -- in particular for
15 the Port of L.A. and those ports that are in or adjacent
16 to areas that are in the top 10 percent of those defined
17 as most impacted by the CalEnviroScreen.

18 I think we have heard strongly that we need to
19 address those communities that are most impacted. And I
20 would want to set forth a resolution that includes, or
21 amendment to the resolution that would include
22 improvements for the at-berth measures as well. It seems
23 really timid to me to be at 50 percent by 2032. And I
24 think that we can get to 100 percent compliance by 2030.
25 So I would add those two things to the resolution.

1 BOARD MEMBER MITCHELL: Just a question on that.
2 To what extent do we -- to what extent do we control --
3 those are federal sources -- the international vessels?
4 This is just a question --

5 BOARD MEMBER TAKVORIAN: Well, we're --

6 BOARD MEMBER MITCHELL: -- maybe to staff.

7 BOARD MEMBER DE LA TORRE: We have the plug-in
8 requirement.

9 BOARD MEMBER TAKVORIAN: Yeah, I thought --

10 EXECUTIVE OFFICER COREY: Yeah, let me take a
11 stab at this. I think you're referring to the at-berth --
12 the expansion of the at-berth regulation that we already
13 have that requires the plug-in of cargo -- shore power on
14 cargo container ships and cruise ships. And the objective
15 of that measure was to expand the control of emissions,
16 NOx and PM, particularly ships at berth, smaller ships,
17 and applying, in fact, some of the certified technologies
18 that were referred to here.

19 So it's one of about 30 measures that are called
20 out in mobile source plans. So -- and I've referred to
21 this as -- before as the most ambitious mobile source
22 strategy package we've ever assembled. So it's one of
23 those measures. And I get the point, it's can you pull
24 these measures together?

25 It would be much more comfortable with report

1 back to the Board annually on have we been able to pull
2 the measures? We call out dates in this document. We
3 call them out realizing that we're -- we've got a major
4 lift with 30 some odd measures. But I get the point, can
5 we pull some forward and can they be executed sooner? And
6 absolutely prepared to push staff and have a report back
7 to the Board where we're able to achieve that.

8 BOARD MEMBER TAKVORIAN: I guess what I'm hearing
9 is that there's confidence that we can. These are two
10 measures that there seems to be a lot of activity on, that
11 the technology is there for, that we're already moving
12 forward with shore power in particular, and that we're
13 asking for it for those communities that are the most
14 impacted.

15 So to get to 50 percent by 2032 seems quite timid
16 when we're looking at some -- at almost achieving that
17 quite soon. So to get to 100 percent by 2030 doesn't seem
18 to be that ambitious to me.

19 But I hear what you're saying, I'm worried that a
20 report back that might say, yeah, we're getting there,
21 we're not sure, doesn't really give relief to the
22 communities and give them something to point to to say
23 we're going to -- we can wait another child's lifetime.
24 We're looking at another generation by the time we get to
25 2030. So that's doesn't -- that seems like a long time to

1 wait, and it seems like we're being not that ambitious to
2 say that we're going to get there by 2030.

3 EXECUTIVE OFFICER COREY: And Board member
4 Takvorian, I'm talking about a new regulation. I'm
5 talking about requirements that don't currently apply to
6 we're bringing additional marine craft into a regulation
7 to implement. And so when they're referred to as timid,
8 I'm talking about a new regulation to develop, implement,
9 and looked and have called out specific dates. And we're
10 looking to opportunities to pull it forward, but this is a
11 new rulemaking, new reductions, not a modest increase of
12 something that's already in play or under way. It's not.

13 CHAIR NICHOLS: So I -- if I could perhaps offer
14 something similar. I don't know if it's in the middle,
15 but just that moves this forward. The point is that the
16 language we have in front of us now has deadlines in it
17 and numbers in it, which don't seem to be sufficiently
18 ambitious.

19 At the same time, what the staff is saying is
20 that they've got to go through a rulemaking and tease some
21 of those issues out. It seems to me though that in this
22 resolution we ought to be directing staff to be moving
23 those dates up and taking a comprehensive look at
24 particularly how you can implement all the measures in
25 ways that will have the greatest impact first in the

1 disadvantaged communities.

2 I mean that's an overlay on all of us, but
3 there's a -- there's -- as you've pointed out, there's 30
4 different specific pieces of equipment or types of
5 equipment that we're talking about here that are all going
6 to be covered by regulation. That is going to take time,
7 and there is going to have to be more fact finding done
8 before those dates can actually be firmly established.

9 So I do think that the language can be more of a
10 direction to staff to pursue those accelerated deadlines
11 for just the reasons that Ms. Takvorian is indicating, if
12 that's -- if that's acceptable to you?

13 BOARD MEMBER DE LA TORRE: If I may --

14 CHAIR NICHOLS: Yes.

15 BOARD MEMBER DE LA TORRE: -- friendly amendment
16 to a friendly amendment.

17 (Laughter.)

18 BOARD MEMBER DE LA TORRE: Why don't we say up to
19 100 percent? That way that is the direction to staff that
20 that's where we're heading, and so we would like to see in
21 these new regs and all of this stuff that they're
22 preparing, up to 100 percent. And then we get, you know,
23 whatever analysis has to happen embedded in that, but
24 they're authorized to go all the way up to 100 percent.

25 CHAIR NICHOLS: It certainly shouldn't be a -- 50

1 shouldn't be the ceiling.

2 BOARD MEMBER DE LA TORRE: Exactly.

3 CHAIR NICHOLS: I think that's clear.

4 I'm not really probably the best person to try to
5 wordsmith that language. Maybe the best thing to do would
6 be before we actually take a final vote to have a brief
7 pause and have the two of you look at the language of the
8 resolution and see if you can --

9 BOARD MEMBER TAKVORIAN: That sounds good. Thank
10 you.

11 CHAIR NICHOLS: -- if you can agree on that.

12 Okay. We still needed to recognize Supervisor
13 Serna, who hasn't yet been heard from.

14 BOARD MEMBER SERNA: Thank you, Chair Nichols.
15 And certainly one of the advantages of going last,
16 assuming there are others that are not going to speak, is
17 that it's all been said. So I do want to say that I agree
18 with a number of the statements that have been made by my
19 colleagues. I certainly want to lead with the standard
20 thanks to District staff and certainly our ARB staff who,
21 I think, did everything that's certainly required of them
22 in the course of developing the plan recommendation.

23 I'm prepared to support the addendum that has
24 been proposed by Director De La Torre with the friendly
25 amendment to the friendly amendment. I do want to -- I do

1 want to ask whether or not -- I just want to get some
2 clarification on Item 5 of the proposed addendum. Where
3 it says investments made in pilot and demonstration
4 studies - this is a question for Director De La Torre -
5 by studies, does that also mean invest -- capital
6 investment?

7 So, for instance, if you were going to look at
8 electrification of campus bust systems for something like
9 an airport, would that -- would the -- would this capture
10 the intent to provide investment in the actual vehicle, so
11 you can study the efficacy of something like that, or is
12 this language intended to mean just the investment in the
13 actual production of a report? Does that make sense?
14 Because I'm stuck on the word "studies", I guess.

15 BOARD MEMBER DE LA TORRE: I take it as a
16 project --

17 BOARD MEMBER SERNA: A project, okay.

18 BOARD MEMBER DE LA TORRE: -- that is being
19 studied.

20 BOARD MEMBER SERNA: Okay. All right. Yeah,
21 maybe -- maybe when the two of you get together here in a
22 minute to hone the final language, you might give that
23 some thought in terms of adding a word or two just to
24 clarify that.

25 Other than, I just want to conclude with my

1 thanks to all the environmental justice advocacy we've had
2 in front of us today. I always get very itchy, quite
3 frankly, when we're asked to consider adopting a plan as
4 important as this, and we have - I don't know how many
5 speakers we had, Chair Nichols? Probably in excess of 80
6 90 today, maybe 100?

7 CHAIR NICHOLS: No, no. sixty-five.

8 BOARD MEMBER SERNA: Sixty-five. Oh, we actually
9 deleted a few, didn't we? Okay.

10 But the point being is we had a great deal. And
11 when we have as much testimony as we did today, and you
12 look at our sheet, and many of those that are speaking are
13 opposed to what's being considered, I'm glad to see that
14 we have the leadership up here that is willing to
15 literally while we're continuing to receive the testimony,
16 look at language that could be proposed that might serve
17 as belt and suspenders for -- to address some of the
18 concerns that have been expressed. I think that shows
19 real dedication on behalf of this Board and its membership
20 to take very seriously what we're hearing, not just today,
21 but certainly leading up today -- to today.

22 So again, we can't do that without your input and
23 your commitment to do that. I know there's a great many
24 of you that have taken time away from your jobs, or
25 perhaps your studies to be here to address us. And it's

1 not lost on any of us that it's important to you, enough
2 so that you're willing to make that sacrifice. And you
3 deserve our attention and our willingness to again
4 consider how best to work carefully on the fly, in some
5 cases, to get to a place where it is the best plan that we
6 can make it. So thank you.

7 CHAIR NICHOLS: Thank you. We are going to break
8 briefly before we take the final vote. And then whatever
9 changes have been made to the draft resolution here will
10 be posted, so everybody can see them. But I want to give
11 Mr. De La Torre and Ms. Takvorian a few minutes to confer.

12 I want to say just a couple of things, and I will
13 also ask Ms. Magliano to add her additional statements
14 that she wanted to make with regard to the CEQA review.

15 The first is that this is obviously, what we're
16 about to do, is not a blank check, and it's also not the
17 end of the story. We will be holding the District and
18 ourselves accountable for -- for results under this --
19 under this plan. And the public will have legal rights
20 with respect to enforcing anything that's in the adopted
21 plan at the end against us.

22 So this is -- this is an ongoing
23 work-in-progress, but I do think it is progress that we're
24 looking at here. And I think it's important to recognize
25 when that happens. Karen, did you want to add some

1 comments here? I know you did, but I -- but the moment
2 was not right.

3 AQPSPD CHIEF MAGLIANO: Yes. Thank you. I am
4 told it's very critically important that I do bring these
5 up. So during public testimony, we heard a comment that
6 mentioned CEQA, that we interpret to address the need to
7 analyze and mitigate emissions from ongoing heavy-duty
8 emission sources. ARB's CEQA document must address
9 impacts caused by the State SIP Strategy measures.

10 The State SIP Strategy measures produce air
11 quality benefits from the source types identified by the
12 commenter, rather than impacts. Therefore, this comment
13 does not raise any issue requiring revisions to ARB's CEQA
14 analysis.

15 A commenter also stated that the draft State SIP
16 Strategy, and its associated draft EA, were published
17 before the South Coast AQMP was published. ARB staff
18 wants to clarify that the draft EA for the State SIP
19 Strategy was just for ARB's planning efforts for mobile
20 sources and consumer products, and not for the South Coast
21 AQMP, which is governed by separate and distinct legal
22 requirements.

23 And finally, we heard a further comment regarding
24 potential pollutant increases regarding to dairy
25 digesters. This issue relates to the Short-Lived Climate

1 Pollutant Strategy Board item, rather than the State SIP
2 Strategy, and is addressed in that Board item.

3 Thank you.

4 CHAIR NICHOLS: Thank you. I understand why you
5 had to do that.

6 I will also mention from a process perspective,
7 that some of you may have noticed that Board Member Berg
8 has been actively walking up and down the platform from
9 time to time, and speaking to different Board members.
10 And I want to make it clear that in those conversations,
11 what she has been doing is trying to help me organize the
12 order of speakers until I master this machine or it
13 masters me, unclear of which of those things will happen
14 first.

15 We have to make sure that everybody who wants to
16 speak gets a chance to speak, and that they're in some
17 formal order. So I hope members of the public will
18 understand what she has been doing. I appreciate it very
19 much.

20 Okay. I think at this point then, without
21 further do, we will take literally a five-minute break.
22 Don't go anywhere because we want to come back and finish
23 this item.

24 (Off record: 2:29 p.m.)

25 (Thereupon a recess was taken.)

1 (On record: 2:45 p.m.)

2 CHAIR NICHOLS: While staff is finishing up,
3 along with Mr. De La Torre the language, Senator Lara had
4 a question on the port-related language that's in the
5 resolution. And we'd like to get clarification on that.

6 SENATOR LARA: Thank you. Thank you, Chairwoman.
7 I also just want to take a moment to thank the community
8 that came out. Obviously, clean air is our number one
9 priority. And as somebody who still lives near rail and
10 near the city of Vernon, I can wholeheartedly understand
11 the concerns.

12 My question is now as we type up the resolution
13 that kind of changed some of the timelines, I just wanted
14 to get clarification from the ports, specifically on the
15 state of the technology, both the cargo handling and at
16 berth. I just want to make sure that we have realistic
17 timelines, and that meet the current technology that we're
18 asking for, if we can -- oh, here we go.

19 MS. TOMLEY: Hi. This is Heather Tomley with the
20 Port of Long Beach. And I know that there was some
21 discussion earlier about some of the development of
22 technologies that we've been involved with. For cargo
23 handling equipment, we've been involved with a lot of
24 demonstrations. We have a technology advancement program.
25 We have representatives from California Air Resources

1 Board, Air Quality Management District, and EPA that help
2 us to evaluate different demonstrations that we want to
3 move forward with.

4 And we've put funding into developing zero
5 emission yard tractors that are currently in the prototype
6 stage that are being demonstrated. Currently, there are
7 not any top handlers that meet that emission standard.
8 And that's something that we're hoping to move forward
9 here in the near term with the support of some grant
10 funding that we've been able to secure. Electric rubber
11 tired gantry cranes are available. But the -- across the
12 board, these technologies are really, in many cases, just
13 being developed or have not yet been developed.

14 But that's part of our aggressive timeline that
15 we're hoping to be able to move forward with and why we're
16 putting out the goals that we have in our Clean Air Action
17 Plan, but there isn't certainty that these technologies
18 will develop on those timelines, that the infrastructure
19 will be available, that the financial business case to be
20 able to move forward with them on that timeline is not 100
21 percent secure at this point. And that's why we're
22 committing in the Clean Air Action Plan to look at doing
23 feasibility assessments on a periodic basis, every five
24 years, potentially more frequently than that, to look at
25 all of those factors to see where we are on the timeline

1 to meet those goals that we've put out there.

2 For at-berth technologies, the ports have also
3 been involved with demonstrations of those technologies.
4 We are -- there are currently being used for container
5 ships, but they have not been proven on the other vessel
6 types. They -- one of the technologies has an approved
7 demonstration test plan. We're hoping to move forward
8 with a demonstration, but that has not been able to get
9 off the ground yet.

10 So none of those technologies have been proven on
11 the other vessel types. And that's the subject of the SIP
12 requirement for 2032, the 50 percent use of those
13 technologies in 2032. Those technologies have not yet
14 been proven, but we're hoping to go through the
15 demonstration phase for that.

16 SENATOR LARA: And are your -- your feasibility
17 studies are saying every five years. Is that an
18 appropriate timeline or can we do feasibility studies more
19 often, given that technology continues to change much more
20 rapidly?

21 MS. TOMLEY: Right. So that's what -- we had
22 originally proposed that timeline in our discussion
23 document for the Clean Air Action Plan, but I think we're
24 recognizing, given the flux and the interest in getting --
25 having assessments on that more frequently than that, we

1 recognize we probably need to accelerate that timeline.
2 My guess it's going to be probably somewhere closer to the
3 two- to three-year timeline, but we're working through
4 that process right now.

5 SENATOR LARA: Thank you.

6 MS. TOMLEY: Thank you.

7 CHAIR NICHOLS: Okay. Let's then get back to the
8 matter at hand. Do we have an amended resolution?

9 Almost. Not quite.

10 Okay. What can we do?

11 (Laughter.)

12 CHAIR NICHOLS: Anymore questions?

13 Anymore comments?

14 Where we are?

15 MR. MARQUEZ: Expand your public comment time.

16 (Laughter.)

17 CHAIR NICHOLS: Yeah, more public comments.

18 That's an idea.

19 You know, we heard a lot of -- a lot of good
20 public comments. And I think they were very pointed and
21 influential. So I hope everybody understands that that
22 was true.

23 I have --

24 BOARD MEMBER SHERRIFFS: Can I ask a question of
25 staff since we have a little time?

1 CHAIR NICHOLS: Yes.

2 BOARD MEMBER SHERRIFFS: Down here on the left
3 bank.

4 CHAIR NICHOLS: Yes.

5 (Laughter.)

6 BOARD MEMBER SHERRIFFS: Well, there was some
7 talk earlier in terms of synergies. And it just -- it
8 occurred to me what -- maybe staff are maybe somebody has
9 an answer now, maybe to think about. But the trucks that
10 have to be cleaner because of their port activities,
11 presumably some of those are actually trucks that are now
12 traveling through the valley, and are cleaner as a result
13 of what's going on with the South Coast in those port
14 activities. And so that's synergy in multiplying it.
15 Important as we moved forward to --

16 AQPSD CHIEF MAGLIANO: Absolutely. And so our
17 estimate is that about 20 percent of the truck travel that
18 comes out of the South Coast also goes through the San
19 Joaquin Valley and vice versa. So that certainly speaks
20 to the benefits of funding in either region.

21 BOARD MEMBER TAKVORIAN: So just to clarify, it's
22 the WiFi, it's not Member De La Torre.

23 (Laughter.)

24 BOARD MEMBER TAKVORIAN: Can we open public
25 comment right now?

1 (Laughter.)

2 CHAIR NICHOLS: I have also added some resolution
3 language, which I can just read and not type. It only
4 goes to the State SIP, which is the only one that's
5 subject to CEQA. And it's very simple, but it -- just so
6 everybody has it.

7 On page seven, the second be it further resolved
8 where it says that, "The Board approves the responses to
9 environmental comments released March 10th, 2017", I'm
10 adding at the very end replacing the period after
11 "resolution" with a comma, and then adding the words, "And
12 the responses from staff at the hearing on this matter".

13 It's probably self explanatory, but just to be
14 clear, the reason for putting that in there is so that in
15 the event of a subsequent challenge to the plan as
16 adopted, that it's clear that we heard the comments at the
17 hearing, the oral comments that were brought forward at
18 the hearing, and our staff's responses to those comments,
19 and that we are including both of those things in our
20 action.

21 And we now have the language that will be
22 attached to both resolutions that was what we've just been
23 discussing.

24 So, Mr. De La Torre.

25 BOARD MEMBER DE LA TORRE: Okay. So this is

1 again an addendum to the State SIP and the AQMP for South
2 Coast Air Basin. Everything is exactly the same in terms
3 of what we're amending. We're amending both. And we have
4 both resolutions here.

5 There was one change on number 5 -- bullet point
6 number 5 to address Board Member Serna's comment. We have
7 investments made in pilot projects and demonstration
8 studies.

9 And after number 7, we are inserting two
10 additional clauses, "Be it further resolved that within 18
11 months of this date, ARB staff shall develop at-berth
12 regulation amendments that achieve up to 100 percent
13 compliance by 2030 for L.A. Ports, and ports that are in
14 or adjacent to areas in the top 10 percent of those
15 defined as most impacted by CES;

16 "And, be it further resolved that within 24
17 months of this date, ARB staff shall develop cargo
18 handling equipment regulations to achieve up to 100
19 percent compliance with ZEV by 2030 for the same criteria
20 as above".

21 And then the final be it further resolved is the
22 same as before.

23 CHAIR NICHOLS: Okay. And are those changes
24 satisfactory to staff?

25 EXECUTIVE OFFICER COREY: Yes.

1 CHAIR NICHOLS: Okay. Well, then I think
2 we're -- sorry, go ahead.

3 BOARD MEMBER DE LA TORRE: We have a motion to
4 amend both.

5 BOARD MEMBER BALMES: I'll second, the amended
6 amendment.

7 CHAIR NICHOLS: So we have vote separately on the
8 two items. They are two separate resolutions.

9 Ms. Berg, do you want to do that.

10 VICE CHAIR BERG: I move Resolution 17-7, the
11 2016 State Strategy for the State Implementation Plan with
12 the amendment.

13 CHAIR NICHOLS: Okay. All those in favor, please
14 say aye?

15 (Unanimous aye vote.)

16 CHAIR NICHOLS: All opposed?

17 All abstentions?

18 Okay. That passes.

19 VICE CHAIR BERG: I further move on Resolution
20 17-8 the 2016 air quality management plan for ozone and
21 PM2.5 in South Coast Air Quality Basin, and the Coachella
22 Valley with the amendment.

23 CHAIR NICHOLS: Okay. Everybody.

24 All in favor please say aye?

25 (Unanimous aye vote.)

1 CHAIR NICHOLS: Opposed?

2 Abstentions?

3 Good. I think we have done it. And thank you to
4 everybody for your positive and very civil contributions
5 to this discussion. It's been a good one, and it's been a
6 long one, but I think the discussion was worth it. So
7 thank you very much.

8 And we will move on to the next item, as soon as
9 we give our staff a chance to reorganize. And while
10 people are moving, I'm going to ask Board Member Berg to
11 read the opening statement that I would normally have read
12 because my voice is giving out.

13 VICE CHAIR BERG: So we'll go ahead while staff
14 is getting seated. Our next agenda item, 17-3-5, is a
15 presentation on the proposed Short-Lived Climate Pollutant
16 Reduction Strategy. This is the second of two Board items
17 on the strategy. Staff provided the Board an overview of
18 the Short-Lived Climate Pollutant Strategy in May 2016. A
19 few months after that, Senator Lara's bill, 1383 passed,
20 and so staff went back to reevaluate our plan in light of
21 that legislation. The Board will vote on approving the
22 final proposed strategy today.

23 Short-lived climate pollutants are trapped heat
24 many times the level of carbon dioxide, but also tend to
25 have a shorter lifetime in the atmosphere, ranging from a

1 few days to a few weeks to a few decades. They include
2 methane, black carbon, and fluorinated gases, including
3 hydrofluorocarbons, or HFC.

4 The science unequivocally underscores the need to
5 immediately reduce emissions of these super pollutants,
6 such as methane, black carbon, and HFCs. Senate Bill 605
7 requires ARB to develop a strategy to reduce these
8 emissions, while Senate Bill 1383 requires ARB to approve
9 and begin implementing this strategy by January of 2018.

10 Actions to reduce emission of short-lived climate
11 pollutants will not only help the State combat climate
12 change, but will also improve our air quality and reduce
13 related health risk hospitalization and medical expenses.

14 The emissions reductions achieved from
15 implementing these strategies will help the State meet its
16 2030 GHG emission goals. In fact, the short-lived climate
17 pollutant strategy will be incorporated into our 2030
18 target scoping plan that will be before us before
19 year-end.

20 Mr. Corey, will you please introduce this item?

21 EXECUTIVE OFFICER COREY: Yes. Thanks, Vice
22 Chair Berg. Short-lived climate pollutants, or SLCPs,
23 were recognized by scientists early on as a major
24 contributors to global warming, but these pollutants took
25 a back seat as the nation's first targeted carbon dioxide,

1 the more pervasive and longer lived greenhouse gas.

2 Now that reduction efforts to address carbon
3 dioxide are underway across the globe, the international
4 community is turning its attention to reducing these
5 powerful pollutants, and California is leading the way on
6 this.

7 Now, as you mentioned, Senator Lara's SB 605, and
8 SB 1383 require ARB to develop and approve a strategy to
9 reduce SLCP emissions in California. ARB staff developed
10 a proposed strategy pursuant to these bills in
11 coordination with other State agencies, local air
12 districts, and many stakeholders.

13 Last May, staff presented to the Board an
14 overview of a draft Short-Lived Climate Pollutant
15 Strategy. Since that time, SB 1382 was chaptered
16 requiring adjustments to the strategy.

17 Today, staff will be presenting for your approval
18 a final proposal for the reduction strategy. Short-lived
19 climate pollutant emission reductions are important for
20 meeting greenhouse gas emission reductions called for by
21 AB 32, SB 32 and SB 1383.

22 In addition, the emission reduction plan is
23 identified in the first update to the Climate Change
24 Scoping Plan as one of the recommended actions to achieve
25 additional GHG emission reductions. The strategy will be

1 integrated into the upcoming scoping plan update we're
2 currently working on.

3 And with that, I'll now ask Marcelle Surovik of
4 the Industrial Strategies Division to begin the staff
5 presentation.

6 Marcelle.

7 (Thereupon an overhead presentation was
8 presented as follows.)

9 AIR POLLUTION SPECIALIST SUROVIK: Thank you, Mr.
10 Corey, and good afternoon, Chair Nichols, Vice Chair Berg,
11 and Board members.

12 In today's presentation, I will be discussing the
13 short Short-Lived Climate Pollutant Reduction Strategy
14 that is before you today for approval.

15 --o0o--

16 AIR POLLUTION SPECIALIST SUROVIK: This slide
17 provides an overview of my presentation.

18 Next slide, please.

19 --o0o--

20 AIR POLLUTION SPECIALIST SUROVIK: Short-lived
21 climate pollutants, or SLCPs, include methane,
22 fluorocarbons, including hydrofluorocarbons, or HFCs, and
23 black carbon. SLCPs are both powerful climate forcers and
24 harmful air pollutants.

25 Reducing emissions of these GHGs now will not

1 only help us combat climate change, but also provide a
2 number of co-benefits, including health benefits,
3 especially in our disadvantaged communities.

4 Senator Lara authored two bills acknowledging the
5 importance of short-lived climate pollutants and directing
6 State agencies to help to reduce SLCP emissions.

7 Next slide, please.

8 --o0o--

9 AIR POLLUTION SPECIALIST SUROVIK: ARB staff
10 worked closely with other State agencies, local air
11 districts, and a full range of stakeholders, including
12 disadvantaged communities to develop the strategy. The
13 measures identified in the strategy, and their expected
14 emission reductions will feed into the 2017 Climate Change
15 Scoping Plan update that is under development.

16 The Environmental Justice Advisory Committee is
17 advising ARB on the development of the scoping plan update
18 as required by AB 32. Eight of the recommendations
19 provided by the EJAC on the scoping plan update were
20 related to the strategy. These were summarized and
21 responded to in the final strategy.

22 Next slide, please.

23 --o0o--

24 AIR POLLUTION SPECIALIST SUROVIK: SB 1383
25 directs ARB and other agencies to do several things. It

1 requires ARB to approve and begin implementing the SLCP
2 strategy by January 1, 2018. It codifies 2030 SLCP
3 emission reduction targets setting a black carbon target
4 for anthropogenic sources.

5 It provides specific direction on methane
6 reductions from dairy and livestock operations, and
7 diversion of organic materials from landfills.

8 Lastly, it requires establishing State policies
9 for the development of renewable gas resources and
10 markets.

11 --o0o--

12 AIR POLLUTION SPECIALIST SUROVIK: This slide
13 shows the SLCP emission reduction targets in terms of both
14 percentages and actual metric tons of Carbon dioxide
15 equivalent emission reductions as presented in early
16 versions of the strategy.

17 To put these numbers into perspective, the draft
18 scoping plan update shows that achieving these SLCP
19 targets will reduce overall GHG emissions more than any
20 other single program through 2030.

21 --o0o--

22 AIR POLLUTION SPECIALIST SUROVIK: Methane
23 emissions in the State are projected to stay relatively
24 constant between now and 2030. Nearly half the emissions
25 come from fermen -- from dairy and livestock operations,

1 specifically from managing manure and from enteric
2 fermentation emissions.

3 Another 20 percent of emissions come from
4 landfills. The oil and gas sector makes up roughly 15
5 percent of the statewide emissions. California's organic
6 waste streams are responsible for half of the State's
7 methane emissions and represent a valuable energy and soil
8 enhancing resource.

9 Next slide, please.

10 --o0o--

11 AIR POLLUTION SPECIALIST SUROVIK:

12 Hydrofluorocarbons, or HFCs, are the fastest
13 growing source of GHG emissions both globally and in
14 California. HFCs are potent GHGs with global warming
15 potential of hundreds to thousands of times higher than
16 CO2.

17 HFC emissions are expected to increase 60 percent
18 by 2030, as they replace ozone depleting substances, or
19 ODS. The majority of HFC emissions come from commercial
20 refrigeration systems.

21 --o0o--

22 AIR POLLUTION SPECIALIST SUROVIK: As this slide
23 shows, anthropogenic black carbon emissions are going down
24 between now and 2030, primarily from mobile sources, but
25 more can be done. As black carbon emissions decrease,

1 residential fireplaces represent a bigger share of the
2 inventory, off-road mobile sources will continue to
3 represent a significant share as well.

4 --o0o--

5 AIR POLLUTION SPECIALIST SUROVIK: SB 1383
6 includes a number of directives for reducing emissions
7 from the dairy and livestock sector. In the near term,
8 ARB, in conjunction with the California Department of Food
9 and Agriculture, and stakeholders will develop a manure
10 management strategy that will focus on developing as many
11 voluntary methane emission reduction projects as possible
12 at California dairy and livestock operations before any
13 regulatory action is taken.

14 This will be accomplished through a combination
15 of actions, such as establishing incentives, filling
16 research gaps, collaboration to overcome barriers, and
17 development of policies to encourage renewable gas
18 production.

19 To help us in this effort, ARB, CDFA, and other
20 agencies are forming a Dairy and Livestock Methane
21 Emission Reduction Work Group. We are planning on a
22 kick-off meeting on May 23rd in Sacramento, and plan to
23 create technical working groups to evaluate specific
24 topics.

25 --o0o--

1 AIR POLLUTION SPECIALIST SUROVIK: ARB and other
2 agencies will undertake a number of efforts this year to
3 address existing hurdles to developing biomethane projects
4 in the waste sector, as required by the bill. The
5 California Public Utilities Commission in coordination
6 with ARB and CDFA is developing guidelines that gas
7 corporations will use to select at least five dairy
8 biomethane pilot projects to demonstrate the feasibility
9 of pipeline injection, and help develop least cost
10 pipeline injection strategies that will be transferable to
11 future projects.

12 We are assisting the Energy Commission in
13 developing renewable energy and infrastructure policies to
14 through the Commission's 2017 Integrated Energy Policy
15 Report planning process.

16 We're developing a pilot financial mechanism to
17 improve the predictability of revenue streams from SL --
18 from LCFS credits and cap-and-trade offsets for methane
19 rejection -- reduction projects to allow project
20 developers to secure private development financing.

21 Similarly, we're working to develop guidance on
22 the impact future regulations could have on the value of
23 these environmental credits.

24 --o0o--

25 AIR POLLUTION SPECIALIST SUROVIK: SB 1383

1 requires ARB and CDFA to report by July 1, 2020 on the
2 progress the dairy and livestock sector has made to meet
3 the methane reduction goals for this sector. ARB in
4 partnership with CDFA and with extensive stakeholder
5 engagement will develop a regulation to reduce manure
6 methane emissions from the dairy and livestock sector for
7 implementation on or after January 1, 2024.

8 We will be gathering information from dairy and
9 livestock operations to support rulemaking development.
10 As noted, we will provide a progress report which will
11 discuss the impact that a regulation will have on leakage,
12 as well as a number of other considerations called out in
13 the statute.

14 The State has committed to investing in methane
15 reduction projects by allocating 50 million in
16 cap-and-trade proceeds in the 2016-2017 budget for
17 reducing methane from dairy and livestock operations.
18 CDFA will administer the program.

19 --o0o--

20 AIR POLLUTION SPECIALIST SUROVIK: SB 1383
21 requires that emission reductions from enteric
22 fermentation be provided through voluntary incentive-based
23 efforts until proven measures are available that do not
24 compromise the health of animals or consumers or affect
25 consumer acceptance of dairy products.

1 We will collaborate with other agencies, the
2 dairy industry, and other relevant stakeholders to
3 investigate potential emission reduction methods that meet
4 these criteria.

5 The work group mentioned earlier could be play a
6 leadership role in developing policies and measures to
7 reduce enteric fermentation emissions.

8 --o0o--

9 AIR POLLUTION SPECIALIST SUROVIK: CalRecycle
10 is -- in partnership with ARB will develop regulations to
11 reduce landfill emissions by diverting increasing levels
12 of organics from the waste stream and recovering 20
13 percent of edible foods to feed people in need.

14 CalRecycle started rule development earlier this
15 year and expects to develop the final regulations by the
16 end of 2018. By July 1, 2020 CalRecycle and ARB must
17 report on the progress the State and local governments and
18 the waste sector have made in achieving the organic waste
19 reduction goals.

20 Next slide please.

21 --o0o--

22 AIR POLLUTION SPECIALIST SUROVIK: The strategy
23 acknowledges that global agreement to phase down HFC
24 production that was made last year in Kigali, Rwanda,
25 referred to as the Kigali Amendment. ARB will work with

1 industry representatives to assess the impact of the
2 Kigali Amendment. The assessment will be available later
3 in 2017 for public and scientific peer review.

4 Preliminary ARB analysis indicates that the
5 global production phasedown alone is not sufficient to
6 reach the 40 percent emission reduction goal for HFCs by
7 2030.

8 Based on the final assessment, ARB may develop
9 measures that can drive the adoption of low GWP
10 refrigerants in California, and be easily adopted by other
11 jurisdictions, both nationally and internationally.

12 These low-GWP alternatives and technologies are
13 available today and have the same or better energy
14 efficiency than HFCs currently being used. We will work
15 toward better industry acceptance and pursue financial
16 incentives to put them in place near term.

17 --o0o--

18 AIR POLLUTION SPECIALIST SUROVIK: As a result of
19 State and local efforts over the past decades to improve
20 air quality, California has significantly cut particulate
21 matter emissions from anthropogenic sources, especially
22 from diesel engines. The result is that black carbon
23 emissions are about 90 percent lower than they were in the
24 1960s, or put another way, these reductions have helped
25 avoid approximately 5,000 premature deaths in the State

1 each year.

2 The strategy emphasizes the importance of
3 incentive programs to replace wood-burning stoves in the
4 State. Wood stove changeout programs can provide not only
5 climate change benefits through black carbon reductions,
6 but also public health co-benefits.

7 Five million in cap-and-trade proceeds have been
8 allocated in the 2016-2017 budget for wood stove
9 replacement. These funds will augment existing incentive
10 programs at the air districts where possible.

11 ARB is developing program guidelines in
12 coordination with CAPCOA, which will focus on wood stove
13 replacements in rural communities. ARB will continue to
14 evaluate outreach and additional funding opportunities and
15 other mechanisms to facilitate wood stove changeouts.

16 We expect other planning activities underway,
17 such as the State Implementation Plans and Mobile Source
18 Strategy that you heard about earlier today to continue to
19 reduce black carbon from other sources in the State.

20 --o0o--

21 AIR POLLUTION SPECIALIST SUROVIK: The strategy
22 also acknowledges the importance of addressing emissions
23 from California's forest fires and forest health
24 generally. Wildfire is the largest source of black carbon
25 in California and, in general, wildfires are occurring at

1 increasing rates and at increasing levels of severity.
2 This affects both public health and climate change. Fuel
3 treatments are key elements of strategies to restore
4 forests and the natural role of fires at the local, State,
5 and national levels.

6 However, many -- more research is needed to
7 better understand radiative forcing estimates from
8 wildfire emissions and to assess how forest management
9 strategies affect fire behavior, emission profiles, and
10 climate change.

11 ARB will continue to work with the Research
12 Climate Action Team, CalEPA, Natural Resources Agency, and
13 other State agencies to complete the Forest Carbon Plan,
14 and along with the 2017 scoping plan update will continue
15 to explore the interrelation of climate change, and
16 natural lands.

17 In addition, ARB and sister agencies are planning
18 two summits to elevate the discussion on woody waste
19 related issues: a Central Valley Ag Waste Burning Summit,
20 organized by the San Joaquin Valley Air District; and, a
21 statewide Bio-Economy Summit to be held later this year in
22 Sacramento.

23 --o0o--

24 AIR POLLUTION SPECIALIST SUROVIK: A revised
25 State Envi -- a revised Draft Environmental Analysis was

1 completed for the revised proposed SLCP strategy that was
2 released last November. Staff determined that
3 implementation of the revised strategy may have potential
4 -- potentially significant indirect impacts to some
5 resource areas. However, these impacts are mainly due to
6 short-term construction-related activities.

7 Staff is committed to working with other State
8 and local agencies to ensure that any steps taken pursuant
9 to the strategy avoid environmental trade-offs and
10 maximize potential environmental benefits. The revised
11 Draft EA was released for a 45-day comment period, which
12 ended January 17th.

13 Staff prepared a final environmental analysis,
14 and written responses to all comments received on the
15 revised Draft EE -- Draft EA and posted them on our
16 website earlier this month.

17 --o0o--

18 AIR POLLUTION SPECIALIST SUROVIK: Staff
19 recommends that the Board adopt the proposed resolution
20 before you doing -- today. Doing so accomplishes several
21 things. It approves the final proposed Short-Lived
22 Climate Pollutant Reduction Strategy that incorporates
23 specific directives from SB 1383, as well as an array of
24 recommendations for other emission reduction measures that
25 will help us meet our 2030 SLCP emission reduction goals.

1 It approves the written responses to the environmental
2 analysis comments. It certifies the Final EA. It makes
3 required CEQA findings. And it directs staff to provide
4 periodic status reports to the Board on progress on
5 implementing the strategy.

6 These will cover looking at a body of research
7 and available technologies as they advance their costs,
8 cost effectiveness, impacts, and how innovative new
9 measures can be informed by these advances. It covers
10 updates to the SLCP emission inventory that will be posted
11 on our website, and ongoing work with local, regional, and
12 federal and international partners in implementing the
13 strategy.

14 As our efforts continue, our progress toward
15 meeting the SLCP emission reduction goals will accelerate
16 leading to a wide range of significant economic and
17 environmental benefits for California broadly, and many of
18 the State's most disadvantaged communities specifically.

19 That concludes my presentation, and we would be
20 happy to answer any questions you may have.

21 VICE CHAIR BERG: Thank you very much
22 Kirsten[sic] for a very thorough report.

23 I'd like to suggest to my fellow Board members,
24 we have about 30 witnesses. And so if it would be all
25 right for us to hold our comments until after the -- our

1 public testimony. But I would like to call on Senator
2 Lara. We're very excited to have you here, the author of
3 both bills AB -- I'm SB 605 and SB 1383.

4 Senator.

5 SENATOR LARA: Thank you. It's a proud moment to
6 be a member -- a new member of the ARB, and particularly
7 today as you all vote on this important item. This is a
8 truly groundbreaking proposal that continues California's
9 place as a world leader in furthering visionary climate
10 change policy.

11 As we all know by now, short-lived climate
12 pollutants have a dramatic impacts on our climate, air
13 quality, agriculture, and public health. This is
14 especially true in communities that already bear the brunt
15 of high levels of pollution and poverty. Communities that
16 we were talking about earlier -- in the earlier item,
17 communities that are along heavy industry, refineries,
18 railyards, busy freeways and freight corridors, residents
19 in these communities breathe soot from the trucks and
20 smoke stacks, which trigger higher rates of asthma and
21 cardiovascular disease, and affect really the quality of
22 life of many Californians.

23 This is why I'm excited to be here today. And as
24 we get ready to formally adopt the roadmap for State
25 agencies, industry and communities who will need to work

1 together to accelerate emission reductions in California.

2 You know, I had the opportunity of being in Paris
3 for the COP21 a couple years ago, where I participated in
4 the panel, which was hosted by the Climate and Clean Air
5 Coalition to reduce short-lived climate pollutants, along
6 with our governor. And it became very abundantly clear
7 that short-lived climate pollutants have become a major
8 development issue around the world, and that there's a
9 very immediate need for aggressive action on a global
10 scale, and California is going to provide once again that
11 leadership worldwide.

12 The benefits of large scale mitigation by 2030
13 were outstanding and not just for global warming and sea
14 level rise. It is estimated that we can actually avoid
15 almost three million premature deaths and over 50 million
16 tons of crop losses annually with collective -- our
17 collective action here today. The economic value of these
18 benefits are in the trillions of dollars to our State
19 budget.

20 These work -- this is where California leadership
21 really plays a key role. The strategies, best practices,
22 and technologies that we deploy here can serve a model
23 around the world, and vice versa. There are growing
24 bodies of research and innovation in other countries that
25 should be -- that we should be paying attention to, in

1 particular, Li Ehno[phonetic] in Chile recently launched a
2 demonstration of alternative refrigeration technologies.
3 And we know that again there's new research on black
4 carbon emissions factors from ships, which is relevant
5 obviously in our district, which we continue to talk
6 about.

7 And countries like Kenya and Bangladesh have
8 adopted innovative financing solutions. And so these are
9 all very, very welcoming signs. And again, California is
10 poised to be at the forefront of this.

11 I also wanted to just know who mentioned about
12 wood smoke, and in particularly the wood stoves. On my
13 end, I plan on introducing legislation next week to create
14 a wood smoke reduction program at the ARB. The bill will
15 be decide -- will be built on the work that air districts
16 have been doing to provide incentives to customers, so
17 they can replace their old dirty wood burning stoves.

18 And so I just want to again conclude by thanking
19 the ARB staff, as well as the public, and other agencies,
20 industry experts, and impacted communities that we're
21 working together for years to bring this strategy to
22 fruition.

23 Our work in meeting these targets will help
24 California achieve its ambitious greenhouse reduction
25 targets for 2020 and 2030, slow global -- slow global

1 warming, improve agricultural, and economic productivity,
2 reduce air pollution, and ultimately save lives.

3 So I just wanted to thank you, and thank you,
4 Vice Chairwoman for allowing me to make a couple comments
5 on this important issue.

6 VICE CHAIR BERG: Thank you very much, Senator
7 Lara and thank you also for not only your leadership, but
8 also joining us today, I understand that you're going to
9 need to leave probably before we take the final vote to
10 catch and airplane. But by the time you land, we're
11 hoping you'll have good news.

12 (Laughter.)

13 SENATOR LARA: Great. I'll look forward to your
14 text.

15 VICE CHAIR BERG: Thank you.

16 And before I start public hearing -- the public
17 testimony, I'd like to direct your attention to the list.
18 If the first three or four people could start lining up,
19 and we could just keep that list moving, that would really
20 be helpful. And while you do that, I'd really like to
21 take this opportunity to welcome Assemblyman Garcia. And
22 so we're very excited to have you, sir. Part of our
23 advisory group and maybe you'd like to say just a couple
24 of words, please.

25 ASSEMBLY MEMBER GARCIA: Well, thank you. And

1 certainly not an easy act to follow after my colleague to
2 my right, but it's certainly an honor to be able to sit
3 with you all as the representative for the State Assembly,
4 and truly will take our role as an advisor to the fullest
5 extent that we possibly can, and ensure that, you know,
6 the message coming from my colleagues in the State
7 Assembly regarding the policies and regulations coming
8 from this agency are made very known.

9 Interestingly enough, I actually sat in this same
10 chamber as a representative for the Riverside County
11 Transportation Commission as a former locally elected
12 official. And I don't know if it's by coincidence or just
13 the irony that much of my interest is transportation, and
14 seeing how we can improve some of the air quality
15 circumstances in communities that are disproportionately
16 impacted by bad air quality.

17 And so with that being said, it's an honor to be
18 here and certainly look forward to many, many discussions
19 here.

20 VICE CHAIR BERG: Well, wonderful to have you too
21 and welcome home.

22 ASSEMBLY MEMBER GARCIA: Thank you.

23 VICE CHAIR BERG: So with that, let's start our
24 with our first speaker Paul Delaney.

25 MR. DELANEY: Good afternoon to everyone. Paul

1 Delaney. I'm a senior engineer with Southern California
2 Edison. I'm in the Emerging technologies group. And I
3 have provided some handouts for the Board, I believe.
4 Good afternoon.

5 If you go to page one and look at the energy
6 efficiency and incentive curves that we follow, we try to
7 look for new technologies that will work for our customers
8 to improve efficiency and meet regulations.

9 And this is -- and the emerging technologies
10 program that I work with looks at new technologies to do
11 that. So if you can go to the next page please.

12 As in our efforts to find technologies that
13 worked, we looked at things like -- in Supermarkets we
14 looked at R-290 systems, which are propane based. We
15 looked at CO2 systems, and we looked at ammonia systems.
16 And we found that they are the most efficient and least
17 cost from A refrigerant standpoint for many of our
18 customers, and it shows some of the biggest promise that
19 we see.

20 If you go to the next page, please.

21 As such, our program has continued to look at
22 these systems. We have looked at a low charge ammonia
23 system in Oxnard, California that was built by NXCOLD,
24 and founded to be 13 percent more efficient than the
25 incumbent technologies.

1 There's a low charge ammonia CO2 system in Irvine
2 that we're just finishing up that shows 20 to 30 percent
3 more efficient than the 507A system that it replaces. So
4 it not only meets the regulations for low GWP, but also
5 serves our need to be energy efficient and find things
6 that will reduce costs and reduce GHG.

7 The rest of the list shows other samples of what
8 we're looking at. The PULCA means permanent -- sorry
9 package ultra-low charge ammonia systems. To give you an
10 example of these systems reduce the amount of ammonia
11 charged from about 20 to 30 pounds per ton to less than a
12 pound per ton, so a significant safety advantage as well.

13 If you'd like to take a look at some of the
14 pictures. On page five, there's a picture of the new
15 refrigerated warehouse in the Port of Long Beach that we
16 are in the process of evaluating and validating the
17 performance of that system. The original design for that
18 plant was 22,000 pounds of ammonia, and it's got less than
19 500 as built.

20 The next example is the one I mentioned with a
21 food processing plant in Irvine. It also uses a low
22 charge ammonia system in conjunction with CO2. One of the
23 advantages we see in the low charge ammonia systems is not
24 only does it work in industrial warehouses, but it's
25 moving into commercial applications as well, so walk-in

1 freezers, coolers, and eventually office buildings.

2 Thank you.

3 VICE CHAIR BERG: Thank you.

4 MR. SCHERER: Hello. My name is John Scherer.
5 I'm director of engineering for Los Angeles Cold Storage
6 Company. Our facilities cover about ten acres of downtown
7 Los Angeles. I also chair the Refrigeration and Energy
8 Committee of the Global Cold Chain Alliance, which
9 represents about 85 percent of the cold storage and food
10 distribution capacity in the United States, and speak on
11 their behalf as we move forward with these efforts. And
12 I'll be reporting to those groups on how we're doing out
13 here in California in Washington D.C. later this year.

14 What we're finding is that we're at a point --
15 we've used ammonia for many years. It is -- somebody --
16 people could say arguably, but isn't really, it's the most
17 efficient refrigerant. And in small communities, it is
18 also one of the safest refrigerants. It's self-alarming,
19 and it's sort of like a -- you know, it's just -- it's
20 under control. It's sort of like a -- you could look at
21 a -- a big ammonia leak is like a forest fire. And a
22 little bit of ammonia is kind of like a camp fire that --
23 where you have your hot dogs there, and -- if you smell a
24 little ammonia, you go upwind, but you still have your hot
25 dog in the fire.

1 Our alternative though -- so we can't really
2 build the big systems anymore with the regulations we
3 have. They're cost prohibitive. We can't have a big leak
4 and have a plume that covers most of one of our largest
5 cities.

6 So we need to go with these ultra low
7 ammonia-charged systems. They're more efficient, but
8 they're a little bit expensive, and -- or we can go with
9 HFs. We have 507, 404(a), of course, in California. Soon
10 we won't be able to do that commercially. That's already
11 been -- is disallowed and has they say.

12 That will follow with industrial also, but there
13 are alternatives. And there are also HFCs or blends. But
14 as we go to each one of these, the efficiencies go down.
15 The cost of the units aren't very much, because they're
16 built mass production by the thousands.

17 These ultra-low charge ammonia systems aren't
18 built as frequently. Although, there will probably be a
19 lot more, but we need to get them out there. We have some
20 facilities where we're evaluating our options, and
21 business is business. So if you're looking at an HFC
22 system that's 70 percent the cost of the ammonia system,
23 it's hard to convince some of the business people to go
24 that direction.

25 So we're working with CARB. We're working with

1 everybody. We'd like to have some help in getting these
2 systems in. I know that some funding has --

3 VICE CHAIR BERG: Thank you, John. Your time is
4 up. Can you --

5 MR. SCHERER: -- been provided.

6 And on that note, I will finish. Thank you.

7 VICE CHAIR BERG: Good. Thank you so much.

8 MR. LIZARRAGA: Hello. My name is Joe Lizarraga.
9 I work for U.S. Growers Cold Storage in Vernon,
10 California. We operate about eight cold storage
11 facilities in the City of Vernon. Our company is striving
12 to be good stakeholders and work with our community at
13 large. We're trying to move away from synthetic
14 refrigerants. We'd like to have two state of the art cold
15 storage facilities in the near future.

16 And as John Scherer was saying, the cost of these
17 ultra charge ammonia systems is substantial in relation to
18 a freon package unit. So we want to make sure that as new
19 technologies are presented and it's more available to the
20 industry, that we work in -- with other industries, since
21 we -- regulatory bodies to make sure that those
22 technologies are presented in the right way, and there are
23 the alternative to these synthetic systems --
24 refrigeration systems.

25 But again, as John was saying, the business case

1 has to be made and sometimes they may -- the industry may
2 need some financial assistance to reach that goal of being
3 businesses with natural refrigerants instead of the
4 synthetic ones.

5 Thank you.

6 MR. SKVARLA: Good afternoon. Mikhael Skvarla
7 here on behalf of United Technologies Corporation, more
8 specifically our subsidiary, Carrier Corps.

9 We're a world leader in refrige -- refrigeration
10 and air conditioning HVAC units, and would like to make a
11 commitment to the ARB and staff that we will continue to
12 work with you guys moving forward on the technical details
13 of these implement -- implementing the Short-Lived Climate
14 Pollutant Strategy. It's not one fit -- size fits all
15 solution as you heard, industrial versus commercial versus
16 residential. They're all different things.

17 And there are some safety issues that need to be
18 worked out and the industry is trying to fast track that
19 right now. As you know, some of the newer refrigerants
20 are flammable and that is a concern to our public safety
21 employees, such as firefighters.

22 So we'll continue to work with staff moving
23 forward, and would like to thank you guys for your time.

24 Thank you.

25 VICE CHAIR BERG: Thank you.

1 MR. CAPONI: Good afternoon, Madam Chair, members
2 of the Board. My name is Frank Caponi with L.A. County
3 Sanitation Districts. Pleasure to be here today.

4 With the plan we have in front of us, referring
5 specifically to the organic diversion portions of the
6 plan, we have huge challenges ahead of us, because of the
7 shortened time frame in trying to get a lot done, as well
8 as the huge infrastructure costs that we're going to be
9 facing in trying to get the diversions that are called out
10 by Senator Lara in the plan.

11 Because of that, we encourage the Board to do
12 everything they can to take those costs very -- the most
13 cost effective ways of reducing greenhouse gases, and
14 develop the funding that's necessary to get this done. I
15 think with that funding, the industry will be behind you
16 and will be working to try to get their.

17 With all the challenges ahead of us, there's also
18 a huge opportunities. For example, the use of biogas that
19 could be developed from the organic diversion projects in
20 a heavy-duty, low NOx, low carbon transportation. And
21 that ties into what you were working on this morning. So
22 that's another -- a real huge opportunity.

23 My agency, as well as the wastewater community,
24 we are working very hard to try to jump start the organic
25 diversion by utilizing our available capacity -- or

1 available digester capacity. At our wastewater treatment
2 plants, we have projects underway. We've gotten funding.

3 Speaking of funding, we just got a \$2.5 million
4 grant from CEC - thank you - and have other funding
5 applications out there.

6 With that, we're going to be able to hopefully
7 jump start the early introduction of food waste
8 management, as well as developing biogas for
9 transportation.

10 One item I would like to bring up to the Board,
11 the plan and the presentation called for a report to the
12 Board by 2020 of the progress and the barriers that are
13 faced in implementing this plan. I'd like to suggest that
14 2020 is too late. We need really ongoing reports to the
15 Board and evaluation of how this is going.

16 If there are serious road blocks by 2020, it's
17 really too late. Don't forget, the first -- the first
18 mandate hits in 2020, 50 percent, and then shortly after
19 that, 75 percent by '25. So I'd like to see ongoing
20 reports and evaluation of possible road blocks.

21 Thank you.

22 MR. EDER: Hello again. I'm -- good afternoon.
23 I'm Harvey Eder speaking for myself, and for the Public
24 Solar Power Coalition. I got a little going ahead of
25 myself last time. I want to try to slow it down a little,

1 but -- anyway.

2 Renewable natural gas is coming on at the big
3 competition to solar for transportation. And you can see
4 the proposal with the district to -- we need to go
5 directly to battery electric solar and hydrogen fuel cell
6 solar. There is a State law that says 25 percent of the
7 hydrogen made has to come from solar.

8 And there is also the State policy 52002(b) of
9 the Health and Safety Code that you -- State policy not to
10 use fossil fuels and non-renewable fossil fuels. And
11 that's what we're doing. That's what this plan is.

12 Using solar electric vehicles can resolve this
13 right now. The green -- we've participated in the Low
14 Carbon Fuel Standard process since '08. And there are
15 exchanges of emails going back and forth with staff, and
16 not using the right numbers for methane for CH₄, anyway,
17 too.

18 So this has to be gone over. The money that's
19 paid for the credits are much higher than the
20 cap-and-trade market. Maybe a lot of people don't know
21 this, but it's like \$100 a ton, versus 10 or 15. There
22 are some problems with this and with the GREET.

23 And also, there's drug resistant antibiotics.
24 There's a -- it isn't -- it's not report -- required for
25 hospitals to report this until next year. It's done with

1 animal -- 70 percent of human antibiotics are used in
2 animals, and it comes through the waste system. There's
3 stuff -- I'm incorporating by reference information the
4 entire record from the South Coast 2016 plan into the
5 record here.

6 And included in that is information from CDC, WHO
7 about deaths in the tens or hundreds of thousands from
8 drug resistant antibiotics. And to that's being put into
9 the distribution system, into the storage system, a la
10 Aliso, et cetera. And there are deaths out there. And
11 it's got to be counted at \$9 million per cost to society
12 for premature death, and -- anyway. Thank you.

13 VICE CHAIR BERG: Thank you.

14 MS. GUTIERREZ: Good afternoon. I'm Irene
15 Gutierrez. I'm an attorney with the Natural Resources
16 Defense Council. I'd like to thank the Board for
17 recognizing the serious threats that are posed by
18 short-lived climate pollutants and for design a
19 comprehensive strategy to move forward with reducing them
20 in the State.

21 NRDC submitted written comments in January of
22 2017, so I'd like to just touch on a few key points from
23 those comments.

24 First, with respect to reducing black carbon in
25 the State, I'd like to point out to the Board, in case

1 they haven't gotten to our comments yet, that we've
2 referred to a couple of other models from other
3 jurisdictions, such as Alaska in the Pacific Northwest
4 that have had successful programs at tackling black carbon
5 emissions from wood stoves.

6 Second, with respect to emissions from the dairy
7 sector, we respect that the Board is interested in moving
8 away from fresh water lagoon systems, which have a number
9 of problems associated with them. In our comments, we've
10 referenced several models for non-digester systems to deal
11 with dairy emissions. And we think it's important for the
12 Board to look to those measures as well, and really invest
13 in pilot programs that are not just looking at digester
14 technology.

15 We think that other types of programs are more
16 cost effective and could be more readily adopted
17 throughout the State, and that there could be greater
18 strides made that way.

19 Finally, with respect to attacking HFCs, we think
20 it's really important for the State to move forward with
21 strong measures in the State and to move forward with
22 those measures expediently. As the Board is no doubt
23 aware, there are a number of reasons why federal
24 commitments to reducing HFCs are currently in flux:
25 There's litigation about the SNAP rules, the current

1 administration's commitment to international climate
2 protocols is in question.

3 And so we think that there's a lot of opportunity
4 for this State to move forward and really make progress on
5 these issues in the State. And with that, I'd like to
6 thank the Board again and say that we look forward to
7 working with you in the future on these issues.

8 Thank you.

9 VICE CHAIR BERG: Thank you.

10 I don't think you look like Libby

11 (Laughter.)

12 VICE CHAIR BERG: I think they flipped a coin
13 and --

14 (Laughter.)

15 MS. GROUT: Well, when my alarm went off this
16 morning at 2:45 a.m., I felt very optimistic about today,
17 and I still feel optimistic about today. So I'm so
18 pleased to be here. My name is Libby Grout, and I'm with
19 Families for Clean Air. And we are concerned that CARB
20 did not use the operating cost for electric ductless
21 mini-split heat pumps, when preparing the economic
22 assessments and the wood to electricity conversion
23 scenario in the residential tire place and wood stove
24 conversion measure of the final strategy.

25 Electric ductless mini-split heat pumps are the

1 most energy efficient heating appliances. I don't know if
2 you had a chance to review the graphic that our
3 organization sent to you previously. If not, I do have
4 additional copies. And this information comes from the
5 Bay Area Air Quality Management District website.

6 As you can see on the graphic, an electric heat
7 pump, the heat -- excuse me, the heat efficiency brings in
8 at 300 percent versus a gas furnace at 78 percent; wood
9 stoves in the 50 to 70 percent range; and fireplaces at 10
10 percent.

11 The cost to heat using an electric heat pump can
12 be as low as \$62 a month. According to this data, that's
13 lower than the cost of burning wood for heat, and notably,
14 the PM2.5 emissions are much lower at 0.5 pounds per year,
15 versus those in the wood burning category of 5 to upwards
16 of 300 pounds per year.

17 Given the affordability of electric ductless
18 mini-split heat pumps, we are concerned by language in the
19 final SLCP strategy concerning the provision of incentive
20 funds for wood burning heaters in areas quote, "Where
21 distributed natural gas is not available, or quote where
22 central heat is cost prohibitive.

23 Since the cost of operating these heat pumps are
24 comparable to those of natural gas heaters, and less
25 expensive than wood, it makes little sense to provide

1 incentives for wood heaters in the above cases.

2 We are also extremely concerned that the
3 unintended consequences of implementing this policy would
4 be that of needlessly subjecting economically
5 disadvantaged populations to much higher levels of air
6 pollution. Since electric heat pumps can provide heat to
7 these areas at a comparable cost to natural gas, such
8 populations should not be subjected to the higher
9 pollution levels and the resulting health effects of wood
10 burning heating appliances.

11 To protect public health and to use incentive
12 dollars most efficiently, only non-wood burning devices,
13 such as heat pumps, solar and natural gas heaters should
14 be incentivized, except in areas that require the use of
15 wood-burning equipment for safety.

16 In addition, heat pumps can cost less to purchase
17 than a wood stove.

18 I'll end there. Thank you.

19 VICE CHAIR BERG: Thank you very much.

20 Okay. Mark, you're up.

21 (Laughter.)

22 MR. KRAUSSE: Good morning -- see. Good
23 afternoon. I'm Mark Krausse with the Pacific Gas and
24 Electric. And like Libby, I woke up at 2:00 o'clock this
25 morning. However, I had not set my alarm for that time,

1 so please bear with me, if I don't manage through this
2 very well.

3 We are here to express PG&E's support for the
4 targets that we have in the Short-Lived Climate Pollutant
5 Strategy, and to commit to working with the Board, with
6 the Department of Food and the Agriculture and the PUC in
7 implementing the terms of Senator Lara's SB 1383.

8 Some of you may know PG&E has made big
9 investments very recently in leak reduction throughout its
10 gas pipeline system, both for safety reasons and, of
11 course, for climate reasons.

12 We've employed new technology in the form of
13 Picarro, car-mounted leak detection technology. And we've
14 also been working, of course, with your staff here at the
15 Air Resources Board on leak abatement through the oil and
16 gas regulation, and support that program with an eye
17 toward refinements in the future as we learn from its
18 implementation. Fariya Ali will expand on that for us
19 later today on that item.

20 PG&E has long been committed to the development
21 of biogas from dairies and other sources. And our current
22 portfolio of biogas contracts include nearly 50 megawatts
23 of biogas derived electric generation.

24 And as the first utility in California, and the
25 third in the nation, to accept renewable biomethane into

1 its pipeline system, we look to work with developers to
2 ensure that biogas is a cost effective and safe pathway to
3 achieve our climate goals, and we look to leverage State
4 funding and incentives for initial infrastructure
5 investments.

6 We encourage ARB to consider Greenhouse Gas
7 Reduction Fund support to help offset the overmarket costs
8 of dairy digester projects under SB 1383. And as the bill
9 highlights, the Low Carbon Fuel Standard is, of course, a
10 great opportunity for us to attribute whatever quantities
11 of biogas toward transportation and thereby buy down the
12 costs of some of those over market gas

13 I want to emphasize that RNG development efforts
14 should remain technology agnostic, and location-specific
15 procurement mandates should be avoided.

16 In terms of efforts -- should be avoided to
17 preserve much -- the flexibility to help build this
18 nascent market. Moving to black carbon, we would
19 encourage ARB to consider Greenhouse Gas Reduction Funds
20 also for the trade out of wood burning fireplaces to
21 natural gas or propane fireplaces, particularly in light
22 of the news that the new administration may eliminate that
23 program at U.S. EPA.

24 And finally, we also hope to receive the last
25 tranche of funding. Several utilities, including PG&E,

1 the Gas Company, and the Gas Technology Institute are on
2 the cusp of an engineering analysis to look at the --
3 gasifying wood waste.

4 So currently, we and other utilities buy
5 electricity that's generated from the burning of wood
6 waste. These facilities have emissions, of course,
7 particulate emissions, black carbon. If we can gasify
8 that fuel and put it into our gas system, we think we can
9 make a big difference. So we're looking for ARB support
10 in that as well.

11 Thank you.

12 VICE CHAIR BERG: Thank you.

13 MR. YI: Hello, Board members. My name is John
14 Yi. I'm with the American Lung Association. Thank for
15 having me here.

16 Before I begin my remarks, I just wanted to share
17 real briefly, I grew up with asthma. I grew up in Los
18 Angeles, and so I saw firsthand what it's like to have a
19 mother frantically trying to figure out solutions for you.
20 So on a topic like this, I really appreciate your
21 leadership, and it's such an important issue, so glad
22 we're discussing today.

23 The American Lung Association of California
24 supports the Short-Lived Climate Pollutants Plan in front
25 of you today. You know, as you know, we need strong

1 protections and actions to control climate pollutants that
2 worsen our air quality, and accelerate climate change.

3 And so today, I truly believe is a milestone in
4 our fight against climate change, as we finalize the
5 strategy to cut some of these highly potent pollutants
6 from our air. And so in this plan, we support the strong
7 strategies for controlling black carbon, methane, and
8 fluorinated gases.

9 And we continue to support regulation incentives
10 funding to accelerate these strategies. We need strong
11 partnerships with local air districts as we roll out these
12 measures as well.

13 In addition to cutting super pollutants, the
14 impacts this has on our environment, you know, is pretty
15 much well known. It cuts lung -- I'm sorry, it cuts
16 cancer impacts, premature deaths. It helps improve our
17 local air, and in addition to reducing food insecurity and
18 food waste, and reducing local and regional health impacts
19 on residential wood smoke.

20 Specifically on black carbon, I do want to
21 mention that we support zero emission freight clean-up
22 measures. And on wood smoke issues, we emphasize that the
23 cleanest home heating option should be available to the
24 public, and wherever possible, to save money and also to
25 move away from the reliance of wood burning.

1 And finally, incentive fund should support
2 cleaner options, including electric heat pumps, solar and
3 natural gas options. There are new electric heating
4 options that are extremely cost effective and should be
5 more broadly utilized.

6 On methane reduction, we encourage the Board to
7 continue to evaluate and fund a mix of strategies
8 including alternatives to digesters, such as pasture based
9 management. And so we look forward to working with you
10 the Board, with Senator Lara, as we create strategies to
11 protect public health and safeguard a clean and -- a clean
12 air future.

13 So in closing, we encourage the Board to stay
14 focused on improving community health at the core of
15 implementing these strategies.

16 Thank you for your leadership

17 MS. WALTER-TERRINONI: Good afternoon. I'm Helen
18 Walter-Terrinoni from The Chemours Company which is a
19 two-year old name for a 200-year old DuPont company.

20 We -- we've been in the refrigerants and HFC
21 business for a very long time, and we certainly have
22 interest in the matter around the short-lived climate
23 pollution strategy.

24 At Chemours, we strongly support HFC management
25 and global warming potential reductions, especially

1 through structures like the Kigali amendments. And I'll
2 talk a little bit more about that shortly.

3 But we believe that California can continue to
4 play an important role in leading SLCP regulatory efforts
5 to reduce emissions of high GWP HFCs.

6 The ARB staff has worked very hard to engage
7 stakeholders in a meaningful way, and that's greatly
8 appreciated, among industry as well as NGOs. They have
9 developed a very thorough and thoughtful strategy,
10 including leaving the door open for future technical
11 developments, which is certainly one of the reasons that
12 the Montreal protocol has been so successful.

13 For example, the energy efficiency, you've heard
14 a lot of numbers. There's a lot of different little
15 spaces that people talk about, when they talk about
16 refrigerants. We have seen improvements, for example, of
17 10 to 12 percent energy efficiency in commercial
18 refrigeration in hundreds of stores that have transitioned
19 to medium GWP refrigerants in Europe.

20 That has to be balanced with leak rates, and
21 energy efficiency. And so the ARB staff has been very
22 thoughtful in this in the strategy wording that they have
23 included looking at indirect emissions and keeping the
24 door open to provide for further improvements in very,
25 very low GWP energy efficiency footprints.

1 In addition to that, we wanted to say that we
2 concur with the comments from NRDC earlier, that we do
3 believe that the federal regulations are at risk due to
4 litigation, and we think it is -- will be very helpful for
5 the ARB staff to keep that into consideration, and
6 thoughtfully make sure that wording is included in
7 future -- in future regulations development, such that
8 they're able to adopt SNAP rules and refrigerant
9 management rules in case -- in case litigation goes in a
10 certain direction.

11 We look forward to continuing to work with
12 California as they lead the world in this very important
13 emissions reduction effort. And we're not -- again, we
14 wanted to thank the ARB staff for their efforts.

15 Thank you.

16 VICE CHAIR BERG: Thank you very much.

17 I think before we take the next speaker, what
18 we'll do is take a 10-minute break and give our court
19 reporter an opportunity to stretch his legs along with my
20 fellow board members. So We'll be back -- well, by your
21 phones, if you're looking at your phones, it is going to
22 be 4:05. On the clock back there, it will be about 4:07.

23 Thank you.

24 (Off record: 3:55 p.m.)

25 (Thereupon a recess was taken.)

1 (On record: 4:06 p.m.)

2 VICE CHAIR BERG: All right, everyone. Let's
3 take our seats, please.

4 Two house keeping items, while everybody is
5 taking their seat. If you want to sign up for this item
6 or the -- actually, the other two items we have, which is
7 the SB 375 or the oil and gas, could you please sign up in
8 the next five minutes, because I'm going to cutoff all
9 sign-ups by 4:15 of that clock time in the back. So
10 anybody else who wants to testify on this item or the
11 following two items, 4:15.

12 Okay. And with that, welcome.

13 MS. GALE: Thank you.

14 VICE CHAIR BERG: Okay. Ladies and gentlemen,
15 let's come back to order, please.

16 MS. GALE: Hello, Board members. Again, my name
17 is Genevieve. I represent the Central Valley Air Quality
18 Coalition as well as the Coalition for Clean Air on
19 matters pertaining to the PM2.5 planning process.

20 I'd like to again make the connection between
21 State planning and San Joaquin Valley needs. And I'll
22 focus my comments on black carbon and methane.

23 So for black carbon, residential burning is the
24 largest contributor to black carbon in the State, and it
25 is also the largest contributor of direct PM2.5 in the

1 valley. So measures that address residential burning are
2 really important in both avenues.

3 And the current plan proposes incentives to
4 change out wood burning stoves and fireplaces, and also
5 increases outreach and education of the impact of wood
6 smoke on our health. So I am a big fan of both of these
7 things. I'd also -- I'd like to quickly note that at
8 present the San Joaquin Valley has an incentive program
9 for changeouts of wood stoves and fireplaces, but they
10 don't, at the moment, explicitly prioritize the cleanest
11 burning devices. So I encourage staff to collaborate on
12 this point and perhaps synchronize so that we are
13 prioritizing the cleanest burning units.

14 And I also would like to thank Senator Lara, who
15 must have run to the airport, for his bill that he's
16 proposing on wood smoke. I encourage -- I look forward to
17 reading the language and supporting it through the
18 process.

19 For methane, I'd like to talk about methane
20 that's produced from dairies. Alongside methane is
21 ammonia emissions. And when ammonia mixes with NOx, it
22 becomes a ammonia nitrate, which particle speciation
23 studies have shown make up about half our PM2.5 problem in
24 the valley. So it's a really big component of PM2.5.

25 And I encourage staff to assess how different

1 methane control strategies will affect ammonia reductions.
2 And if certain strategies reduce ammonia, I would like
3 that to be considered a co-benefit, and that we prioritize
4 ones that address ammonia as well.

5 Keep it short and suite and thank you.

6 VICE CHAIR BERG: Thank you.

7 MR. HON: Hello. I'm Charlie Hon from True
8 Manufacturing, a commercial refrigeration manufacturer who
9 specializes in self-contained equipment, one of the
10 product you're looking at. And we are here to support you
11 in any way possible. Thank you for your efforts so far,
12 and agree with your decisions and your directions
13 completely. And we want to make a few points about that.

14 Number one is the GWP -- ultra high GWP gases are
15 out there. They're going to be -- continue to be out
16 there, because the life expectancy of this equipment in
17 your own reports is approximately 20 years. And by the
18 time the regulations would be taking effect, that's half
19 the life that's already out there, and we're continuing to
20 add to that banking of refrigerants, so we encourage you
21 to go consider these items and get clarification as soon
22 as possible.

23 And we would also ask for some consideration,
24 because the industry as a whole has a problem with people
25 trusting the existing technologies. New technologies are

1 always in question. And so we would highly support any
2 direction that the Board can give us to incentivize or
3 publicize the newer technologies, which will reduce the
4 GWP, and quite often make the units much more efficient in
5 the process.

6 Thank you.

7 VICE CHAIR BERG: Thank you.

8 MR. BOCCADORO: Good afternoon. Michael
9 Boccadoro, Dairy Cares. Very happy to be here today on
10 behalf of California's dairy farm families. And while I
11 cannot say that the dairy families full support the
12 overall SLCP plan, I can say that we believe it has been
13 dramatically improved, and in large part from the
14 implementation of Senator Lara's SB 1383.

15 SB 1383 represented an important compromise to
16 bring more balance and a more workable incentive based
17 approach to dairy methane reduction in California. We
18 appreciate his leadership and patience to make that
19 happen. And he was very patient, particularly on the last
20 night of -- the night before the last tight of session.

21 Even with these positive changes, the plan
22 remains very ambitious, and continues to seek dairy
23 methane emission reductions that go well beyond what is
24 encompassed in 1383, and we still have some concern on
25 that front.

1 So let me just be clear about one point is the
2 hard work begins now. You know, the adopting the plan is
3 the easy part, figuring out how we together get to the
4 reductions that the State is looking for becomes the hard
5 part. And the dairy industry is committed to doing our
6 part. We are already investing in research to better
7 understand emissions from dairies. We're also investing
8 in research to understand the options. We're not just
9 interest in digesters. We're interested in other ways of
10 reducing.

11 In fact, we don't believe digesters are going to
12 be the solution on the majority of dairies. We think
13 maybe 100 to 200 more digesters get built in this State,
14 but the smaller dairies in particular are going to need
15 other technologies, or practices to achieve those
16 reductions.

17 Investing, we are going to be spending a lot of
18 time and money to move dairy digesters to the next level
19 by creating clean transportation fuel. You've heard that
20 from several folks today. We think that's a very
21 important way of not only maximizing greenhouse gas
22 reductions, but also maximizing criteria pollutant
23 reductions in the San Joaquin Valley.

24 We're in this together. We want to continue to
25 work with ARB. We're happy to see that ARB has initiated

1 the stakeholder process. We're happy to see that the CPUC
2 has initiated the pipeline process. We need to make CDFA
3 money available. It's currently being delayed in
4 implementation. We have 25 shovel-ready projects at a
5 minimum. That program is going to be heavily
6 oversubscribed. They need to get the money out, and it's
7 currently being delayed. We're very concerned about that,
8 and we need to have more funding for digesters and
9 alternatives.

10 And then let me just conclude by thanking your
11 staff and the Board. Many of you have been out to see our
12 projects. Mr. Corey spent 14 hours with us about a month
13 and a half ago visiting a couple of large dairy digesters
14 in the State. And I think he came away with an
15 appreciation for how hard the industry is working, and I
16 think for how hard the tasks that we have ahead. There's
17 a lot of obstacles that we're going to have to overcome.
18 So our sincere hope is we both succeed.

19 The shot clock just went off, so I better stop.

20 MS. O'BRIEN: Good afternoon. Thank you, Chair
21 Nichols and Board members. Rachel O'Brien with the
22 Agricultural Council of California. Ag Council is a
23 member-supported organization. We advocate for more than
24 15,000 farmers across California and represent the State's
25 three largest dairy cooperatives.

1 California dairies have been an engaged partner
2 throughout the development of this strategy, and we do
3 remain committed to doing our part to fulfill the goals
4 laid out in SB 1383 by Senator Lara.

5 Now, I know he's taken off to catch his flight,
6 but we did want to thank him for all of his work with the
7 industry to craft a thoughtful and balanced approach to
8 achieving methane reductions in our sector.

9 After reviewing the financial strategy, we are
10 encouraged. The targets are still ambitious, but it's a
11 big improvement over previous proposals. Like Michael,
12 I'd like to thank the staff, Mr. Corey and others, for
13 their extensive work on this strategy. The final copy
14 recognizes many of the challenges that stand in our way,
15 but we believe that there is a good process laid out by SB
16 1383, and it's crucial that we get there.

17 I wanted to point out that the cost effectiveness
18 of achieving reductions works best when we have incentives
19 prior to regulations. We have a tremendous opportunity to
20 make sure markets are fully enabled, that dairies have
21 access to capital, credits, and incentives. All of which
22 is needed to help develop successful methane reduction
23 projects.

24 We stand ready to work with ARB and other
25 agencies to address the technical market and regulatory

1 hurdles, as well as any research gaps in forthcoming
2 workshops, and as well as the work groups that you guys
3 have put out.

4 Thank you very much.

5 MR. NEWELL: Good afternoon, Madam Chair and
6 members of the Board. My name is Brent Newell. I'm with
7 the Center on Race, Poverty, and the Environment.

8 Throughout the development of the Short-Lived
9 Climate Pollutant Plan over the last couple of years or
10 so, we've worked with many environmental justice groups
11 and environmental organizations to comment on the various
12 drafts, and to urge that there be mandatory regulations
13 for methane from dairies. And we were very pleased a year
14 ago when the plan shifted and went in that direction.

15 We are, however, disappointed that Senate Bill
16 1383 set a limit of January 1st, 2024 as the earliest
17 point when regulations could be implemented. That's seven
18 or so years from now, a significant amount of time when
19 there's this much methane being emitted by these sources,
20 and it's having such a significant effect on climate
21 change, at 84 times the power of CO2. Over a 20-year
22 period, it's 12 percent of the State's greenhouse gas
23 inventory. It's a huge impact, and it must be addressed.

24 You know, when you compare that to the Aliso
25 Canyon methane leak, dairies emitted more than twice as

1 much methane as Aliso Canyon on a daily average basis.

2 I look forward to working with the Board on the
3 development of these regulations. The environmental
4 justice groups that we work with look forward to working
5 with the Board as it develops these regulations that are
6 so important. And we ask you, and we ask staff, to really
7 focus on not making San Joaquin Valley communities
8 sacrifice zones for pollution from anaerobic digesters
9 that are burning methane that produce electricity.

10 That's -- it's not acceptable when those are
11 producing electricity that's 20 times as pollutant as a
12 natural gas-fired power plant. We can't do it. We
13 shouldn't do it. It's just bad policy.

14 So there are other things to do to reduce methane
15 from these facilities, pasture based systems, avoid
16 liquefied manure methane emissions, they allow healthy
17 pasture to sequester carbon. There are air quality
18 co-benefits. You get away from ammonia. You get away
19 from corn silage volatile organic compound emissions.
20 Huge benefits for public health with different policies.
21 And there's really, really no reason why California should
22 produce so much dairy product, so much.

23 We don't consume it all in California. It's
24 exported. We're producing all of this methane in-state,
25 when it's not necessary. Imagine if we had a robust

1 coal-fired power plant industry, we wouldn't continue with
2 that coal-fired power plant industry just because it's
3 here in California. No, California is decarbonizing its
4 electrical grid. It's moving from that. It's
5 decarbonizing the transportation fuels we use.

6 We need to decarbonize what we eat as well.

7 So thank you very much.

8 MS. STARR: Good afternoon. My name is Christina
9 Starr and I'm here to represent the Environmental
10 Investigation Agency, an independent nonprofit that has
11 been working on the issue of HFCs for nearly a decade
12 since first calling for an amendment to the Montreal
13 protocol back in 2008.

14 The Kigali amendment reached last October after
15 more than eight years of negotiations neither changes nor
16 reduces the need for California's leadership on this
17 issue. In fact, we need that leadership now more than
18 ever. Strong and effective policy here in the United
19 States will be fundamental to supporting effective
20 implementation of the Kigali amendment.

21 Despite broad support, we now face substantial
22 uncertainty, as you heard from my colleague at NRDC, about
23 the prospects for U.S. government ratification and
24 implementation. Further more, the global phase down
25 schedule and current policies will not achieve the

1 emission reductions quickly enough to meet California's
2 2030 targets.

3 Additionally, the regulatory capacity of the EPA
4 faces substantial attack and threatens being rolled back.
5 This includes legal challenges to both of the major
6 programs at EPA used to regulate HFCs, the SNAP Program
7 and the Refrigerant Management Program.

8 Even if upheld, existing federal policies are
9 insufficient to ensure direct transitions to truly low GWP
10 technologies, and instead we risk locking in years of
11 additional emissions from the remaining high GWP HFCs and
12 HFC blends that are still permitted.

13 For example, a new super market opening in
14 California or an existing supermarket phasing out an old
15 ozone-depleting substance using HCFC-22 is still permitted
16 to use HFC 407C, a refrigerant with nearly near 2000 times
17 the climate impact as carbon dioxide.

18 With No additional policies, all of the 2,400
19 facilities in California with large commercial
20 refrigeration systems could convert so HFC 407C. Over
21 their 20-year lifetimes, these new systems would
22 contribute to additional emissions of approximately 40
23 million metric tons of CO2 equivalent, which is the same
24 as running 12 coal-fired power plants for a year.

25 A ban on new equipment using HFCs above a GWP

1 threshold of 150, such as that proposed in SLCP strategy
2 can avoid these emissions and much more. Last October, on
3 the eve of the Kigali amendment, the Consumer Goods Forum,
4 a group of leading global manufacturers that includes
5 major U.S. household brand names like Target Coca-Cola,
6 and Walmart did just that. They agreed voluntarily to
7 commit to using only refrigerants below a GWP of 150 in
8 all new commercial and industrial refrigeration systems.

9 We urge CARB to hold steadfast to this 150 GWP
10 threshold in all equipment bans that it implements.

11 In closing, I'd like to reiterate our strong
12 support for the proposed measures, and thank you for this
13 opportunity to comment and look forward to working with
14 you in the future.

15 VICE CHAIR BERG: Thank you.

16 EJAC MEMBER HAMILTON: Good afternoon. I am not
17 Christina.

18 VICE CHAIR BERG: Yes. I was glad to see you
19 weren't gone.

20 EJAC MEMBER HAMILTON: Yeah. This is Kevin
21 Hamilton with the Central California Asthma Collaborative.
22 And with regard to short-lived climate pollutants, I think
23 you've finally gotten to the place that some of us have
24 wanted to see you go where you have the intersection
25 between greenhouse gases and criteria pollutants.

1 This has been a blessing and a curse, I think,
2 for you certainly, and for us in the San Joaquin Valley.
3 But I think it provides an opportunity for you to help
4 local air districts in their battle with stationary
5 sources of pollution, and particularly with black carbon.

6 Black carbon is coming both from, of course,
7 mobile sources and stationary sources. I want to
8 challenge the Board again and re-challenge you. And I
9 will continue to do this as long as I can stand in front
10 you to come up with an off-road ag equipment rule. A lot
11 of this black carbon we're talking about, and particularly
12 with relation to dairies themselves is off-road black
13 carbon from off-road ag equipment.

14 We don't have that rule. I think we've been
15 asking for that rule for ten years now. That is too long.
16 We need this rule. We need this inventory. I think you
17 have a fairly complete inventory. I'm looking in the
18 ARB's inventory. I can actually count tractors now. So
19 when I can count categories of tractors, I think we're
20 getting pretty close. IC engines, we have a comprehensive
21 list of IC engines, okay?

22 So let's not talk about IC engines moving to
23 natural gas. Let's talk about them moving to electricity.
24 Let's not talk about moving natural gas heating units into
25 housing, let's talk about you partnering with the CEC and

1 putting solar -- roof top solar on people's homes, so they
2 can have electric heat in their house. And because of the
3 offset on the cost to their electric bills during the day
4 from the solar, they'll be able to afford to run it at
5 night.

6 So let's get innovative here and start talking
7 with the other agencies and working with them. Let's talk
8 to the transportation folks and be more aggressive about
9 helping them understand the intersection between that
10 black carbon generated from those mobile sources that
11 they're Building patterns to run around on and the health
12 of the communities around them, because I'm telling you
13 right now, I've been meeting them, and they really don't
14 get it.

15 They -- and I don't understand that -- I do
16 understand that. I understand it very clearly, because
17 their discipline doesn't lead them that way, and they need
18 help.

19 And who's -- who better to help them than the
20 public health agency charged with protecting our health
21 from air pollution. So I would really recommend that we
22 be more aggressive in helping those folks out to
23 understand that, but I'm just going to keep beating this
24 drum, ag equipment rule.

25 Thank you.

1 VICE CHAIR BERG: Thank you.

2 MR. DAVIS: Chair and Board members, my name is
3 John Davis. I administer the Mojave Desert and Mountain
4 Recycling Authority. We're a nine-member joint powers
5 authority up in San Bernardino County. It's high desert
6 and mountain communities. We've been working together
7 since the passage -- or before the passage of AB 939, and
8 we'll continue to work together.

9 We've executed agreements. We've incentivized
10 and secured land-use permits for compost facilities,
11 including a facility funded by the cap-and-trade incentive
12 funds. We're engaged in the SB 1383 process, because that
13 process I think is the most significant change to this
14 industry since AB 939, and we'll continue working with
15 that.

16 I came off the hill today to thank you for your
17 action in taking the lead on the short-lived climate
18 pollutants when -- after the passage of AB 32 began to try
19 to understand the links in our industry and climate. And
20 I was always puzzled by this conversion of methane to
21 carbon dioxide. I understand it from an inventory
22 standpoint, but it affects and has affected decisions
23 about what to do with that organic material.

24 So the action you're taking today sends a very
25 clear message that this is important, that methane is

1 methane. You can't dress it up as CO2 and call it
2 anything else. It's going to act like methane.

3 So I really, really sincerely want to thank you
4 for doing that. I was a voice in the wilderness, you
5 know, a lot meetings trying to convince people now we have
6 something that we can turn to. And I think it's going to
7 have that international impact that you've heard about
8 earlier.

9 So thank you.

10 VICE CHAIR BERG: And thank you too for keeping
11 being that voice. A generally --

12 MS. MORRIS: Good afternoon, Chair Nichols and
13 members of the Board. My name is Jennifer Morris, and I
14 am representing Southern California Gas Company. We
15 appreciate ARB's recognition of utilizing organic waste
16 streams to produce renewable gas as a key SLCP reduction
17 strategy. When used as a transportation fuel for
18 electricity generation, or displacing other traditional
19 natural gas sources, pipeline-injected renewable gas
20 provides a solution to address multiple emissions
21 challenges, and it's a reliable and flexible renewable
22 energy source.

23 We support the goals of SB 1383 to establish
24 infrastructure development and procurement policies needed
25 to encourage renewable gas projects. One procurement

1 policy that the SLCP strategy specifically identifies is a
2 feed-in tariff. We recommend that ARB evaluate additional
3 options, such as a green tariff, or a renewable gas
4 portfolio standard as potential new policies to accelerate
5 project development.

6 SolCal gas plans to be part of the SB 1383
7 working groups, and we look forward to working with ARB
8 and other stakeholders in the coming year to help ensure
9 successful implementation and ultimately achieve
10 California's GHG reduction goals.

11 Thank you.

12 VICE CHAIR BERG: Thank you.

13 MR. HAMILTON: Good afternoon. My name is Derek
14 Hamilton. I'm here on behalf of Shecco America. We are a
15 market accelerator for climate friendly refrigeration and
16 air conditioning technologies.

17 What this means is we support moving away from
18 HFCs toward natural refrigerant technologies, such as
19 ammonia, carbon dioxide, hydrocarbons, air, and water. We
20 believe that the Board can be ambitious in stating targets
21 for the elimination of HFCs in air conditioning and
22 refrigeration, and that this ambition can be supported by
23 proven technology, which is already on the market today.

24 I want to tell you quickly about the F-gas
25 regulations in Europe and how that that has positively

1 affected the industry there.

2 F-gas regulations came into force in 2006, and
3 were strengthened in 2015. Now, they're aiming to reduce
4 your F-gas emissions by two-thirds of 2014 levels by 2030,
5 and that's being achieved through a combination of phase
6 down and of outright bans of certain gases, and specific
7 applications.

8 And now what our research has shown is that bans
9 and -- banning gases in certain applications is the best
10 way to move this forward, and that that is supported by
11 and beneficial to the refrigeration industry. In Europe
12 we're seeing in real time that ambitious environmental
13 legislation can drive innovation, and create jobs.

14 In addition to the F-gas regulations at European
15 level, we're seeing other things happening at national
16 level, and measures are being implemented, such as taxes
17 on HFCs and incentives.

18 Now, it's the combination of regulations and
19 incentives that's really help to drive the market towards
20 natural refrigerants. The Air Resources Board by
21 following a similar model can demonstrate that this
22 technology works, and thereby accelerate the transition to
23 an HFC-free future.

24 I want to reiterate clearly that its bans in
25 conjunction with incentives that provide the most

1 effective mechanism to do this. For those who interested,
2 we can provide further details of how this has happened in
3 both Europe and Japan.

4 For me, the most exciting part of the discussion
5 is that the technology we need already exists. To give
6 you one example, there are already 10,000 grocery stores
7 worldwide operating with carbon dioxide refrigerant. A
8 few hundred of those are in the U.S., but California is
9 already leading the way. So the technology is already
10 available.

11 And to that point, we are going to be organizing
12 a conference for around own industry leaders. The name is
13 Atmosphere America, and it will be happening in San Diego
14 in June.

15 And finally, I just want to say that this is a
16 golden opportunity for California to become world leaders
17 in moving towards a HFC-free refrigeration and future.

18 Thank you.

19 VICE CHAIR BERG: Thank you.

20 MR. STEWART: Hi. I'm Jim Stewart and I'm
21 actually not speaking on behalf of the Sierra Club. I'm
22 speaking as an individual scientist. I actually have a
23 Ph.D. in physics, and I have looked a little bit at this
24 methane from enteric - in other words the cow burps - and
25 I have very exciting good news for all of us. And I was

1 hoping Senator Lara could be here to hear this, but we'll
2 relay it to him.

3 Some Australian scientists have discovered a
4 particular species of Asparagopsis seaweed, two percent
5 added to the cow feed eliminates 90 percent of the methane
6 emissions from cow burps. So there's hope for all of us.
7 And I'll look forward to working with the ARB staff in
8 getting some research going right here very quick.

9 So thank you.

10 VICE CHAIR BERG: Thank you.

11 MR. EDGAR: Chair, Board members, my name is Evan
12 Edgar. I'm an engineer for the California Compost
13 Coalition and the Clean Fleets Coalition. We totally
14 support this program and SB 1383. Twenty years ago, the
15 industry I represent we were hooked on heavy diesel and we
16 were hooked on landfills. That was back in AB 939.

17 Today, we are deploying a CNG fleet, and we are
18 diverting facilities. Today, we're making anaerobic
19 digestion facilities. We take that methane at landfills,
20 we dress it up and we make RNG, which is carbon negative.

21 We're deploying in our CNG vehicles these near
22 zero, low NOx, ultra low NOx engines. We're net zero
23 facilities on greenhouse gases. We do it with zero waste.
24 We're at the intersection of waste diversion and healthy
25 soils, the intersection of greenhouse gases and criteria

1 pollutants. Our industry has transformed with regulations
2 and incentives.

3 CalRecycle is estimating they need about \$100
4 million a year incentives, along with the regulations, to
5 transform the industry from landfill based to diversion
6 based. Plus, the Clean Fleets is estimating they need
7 about \$100 million a year to get off diesel into these low
8 NOx, ultra low NOx engines on carbon negative fuel.

9 Cap and trade was a huge success. This report
10 came out last week using cap-and-trade dollars at work.
11 CalRecycle has done facilities that are the most cost
12 effective facilities, as estimated by the Leg Office, and
13 100 percent DAC benefit.

14 Last week, CalRecycle took in 46 applications for
15 \$97 million. We only have 24 available. We're four times
16 oversubscribed, but once again it's going to transform the
17 industry into these low criteria pollutants with carbon
18 negative fuel.

19 So we totally support this program. The solid
20 waste industries I represent, the compost and organics
21 industry we're here, we're investing with strong support.
22 So picture this, carbon negative fuel, near zero NOx, zero
23 waste plans with net zero facilities 100 percent DAC.

24 We're doing it. So next year during
25 cap-and-trade funding, we're looking forward to \$100

1 million from CalRecycle as well as a little bit more money
2 as part of the low carbon transportation fund and AQIP. A
3 lot of money in AQIP goes to other types of vehicles.
4 We're heavy-duty here. We're now. We're short-lived with
5 methane. We're the biggest bang for the buck now in order
6 to get off landfills, and get off diesel. We can do it.
7 Thank you.

8 VICE CHAIR BERG: Thank you.

9 MR. FLORES: Good afternoon, Board members. Ooh,
10 this is a serious podium. We're so close. This is good.

11 (Laughter.)

12 MR. FLOREZ: This is so good.

13 Hello to you guys as well on the left.

14 (Laughter.)

15 MR. FLORES: My name is Juan Flores. I'm with
16 the Center on Race, Poverty, and the Environment. And I'm
17 a community member as well of Kern County. I live in
18 Delano. We drove three and a half hours this morning to
19 be here with you.

20 First of all, I think from the point of view of
21 community members, we're glad that we finally have a
22 strategy to document emissions in our communities. I'm
23 pretty sure you're aware that Kern County and Tulare
24 County, we host the vast majority of dairies that we have
25 in California. And this certainly is going to have a

1 positive impact in our lives.

2 Although, sadly, that will not come until 2024
3 for us, but -- although we're happy about the strategy, I
4 think -- we think that there's also other things that
5 we -- or that you guys could consider, and one could be
6 the anaerobic digesters. They're not a complete solution
7 for us. While you would be reducing methane and some sort
8 of pollution, you will be generating another pollution for
9 us. And that really doesn't move us more than that.

10 And also, I would like to invite you guys to
11 consider pasture based dairies. I think that could be
12 another tremendous solution for problems down in the
13 valley.

14 Thank you.

15 VICE CHAIR BERG: Thank you.

16 MR. GARCIA: Good afternoon, Board members. My
17 name is Miguel Garcia. I'm a resident of Arvin,
18 California, and also a member of the Committee for a
19 Better Arvin. I'm going to be brief.

20 I'm just going to hop on the point that Juan
21 Flores mentioned. I believe that one of the strategies to
22 reducing methane should be pastures. I believe that it's
23 very manageable and easy to accomplish in a short-term.
24 This would avoid methane from liquefied lagoons. It would
25 also support healthy grasslands, which act as carbon

1 sinks, sucking the carbon dioxide into the soil, and --
2 instead of, you know, going into the air.

3 I believe that we should definitely focus on the
4 pastures as a great strategy to reducing the methane, and
5 act now instead of waiting years from now. Otherwise, we
6 should start eating less factory dairy products and stop
7 supporting these industries just to see what the impact
8 would be.

9 Thank you.

10 VICE CHAIR BERG: Thank you.

11 MS. ESCOTO: Thank you. My name is Estela
12 Escoto. I'm coming from the San Joaquin Valley. In the
13 San Joaquin Valley, the dairy farms are the main source of
14 producing methane gas. In my community, we are suffering
15 due to so much pollution.

16 There are many people that are sick with cancer,
17 asthma, and allergies. For that reason, I ask that you
18 take this into account and do something. So that you do
19 something so that the owners of the dairy farms invest in
20 new methods in order to reduce the amount of methane, I
21 invite you to come to my community to see what the people
22 are going through.

23 Thank you very much.

24 VICE CHAIR BERG: And thank you very much.

25 MS. WOOD: Hi. Good afternoon. My name is Susan

1 Wood. I'm here on behalf of the American Carbon Registry.
2 The American Carbon Registry is actually a registry under
3 AB 32 that promotes the use of voluntary offsets for
4 projects across California, and the United States, and
5 globally.

6 I personally was an advisor to ARB on the design
7 of AB 32. In 2006, I actually hosted Fabian Núñez and a
8 group of about 25 other executives and regulators down to
9 go see an anaerobic digestion project Latin America. And
10 that helped form the basis for the use of offsets in the
11 program.

12 So as you may ascertain, we have a vested
13 interest in offset credits and projects that produce
14 offset credits and the benefits that they have to the
15 environment. We believe, and many others do, that these
16 offset credits that are created from privately funded
17 projects, that help reduce for short-lived climate
18 pollutants are an excellent way to help the ARB achieve
19 its 40 percent reduction target.

20 We're concerned that the Short-Lived Climate
21 Pollutant Strategy does not include the consideration or
22 adoption of new offset credit methodologies that reduce
23 short-lived climate pollutants. Offset credits created
24 through the reduction of short-lived climate pollutants
25 from privately funded projects are able to achieve greater

1 reductions than government-funded programs, or typical
2 command and control regulations.

3 Some interesting facts. Under AB 32,
4 approximately 55 million tons of greenhouse gas has been
5 reduced through privately funded projects that created
6 offset credits. Only 13 million of those credits have
7 actually been used for compliance under the AB 32 program.

8 So therefore, there's an additional 42 million
9 tons of greenhouse gas reductions that have gone unused
10 for compliance. These are overcontrol measures that we
11 feel that offset credits in the projects create.

12 We urge the Board to consider adding short-lived
13 climate pollutant offset credit methodologies to its
14 strategy. American Carbon Registry and other programs
15 have already developed some short-lived climate pollutant
16 methodologies, and most of which can be applied to urban
17 environmental justice areas to reduce emissions locally.

18 For example, you were mentioning the low GW
19 refrigerants being something that you really want to
20 achieve a reduction in the strategy. There's currently a
21 methodology that improves the refrigeration systems and
22 reduces the manufacturing and use of HFCs. There's also a
23 methodology that eliminates the use of HFCs in foam
24 manufacturing, as well as a methodology that reduces
25 emissions from the oil and natural gas production

1 industry.

2 In conclusion -- in conclusion, please consider
3 offset credits.

4 Thank you.

5 VICE CHAIR BERG: Thank you very much.

6 (Laughter.)

7 CAPCOA EXECUTIVE DIRECTOR ABBS: Good afternoon,
8 Chair Nichols and members of the Board. My name is Alan
9 Abbs. I'm the Executive Director of the California Air
10 Pollution Control Officers Association representing the 35
11 local air districts in California. I'm here to support
12 the SLCP strategy. And, in particular, I'd like to thank
13 staff for including the section on wood stoves and
14 identifying the tremendous emission reductions that can be
15 achieved through various wood stove programs that air
16 districts perform.

17 I'd also like to thank ARB for helping us get
18 that initial \$5 million of funding in the Greenhouse Gas
19 Revenue Fund for this fiscal year. And I'm pretty excited
20 that very soon we're going to be kicking off that program,
21 and making it available to the 35 air districts focusing
22 on rural parts of California, and low income parts of
23 California, and working on changing out older uncertified
24 wood stoves to either new certified wood stoves or cleaner
25 alternatives, such as gas and electric, where they're

1 available.

2 Unfortunately, Senator Lara is not here, or I
3 would -- I would thank him as well, because I'm pretty
4 excited to hear about his new wood stove bill that he's
5 going to be introducing. And I'm hopeful about that,
6 because in the SLCP strategy, the wood stove reductions,
7 it's going to be a tremendous lift to get to where we need
8 to go to meet that requirement. There's an identification
9 of up to 350,000 changeouts that we need to accomplish in
10 the next 15 years to make this a reality.

11 And so any help that we can get from the
12 legislature and for ARB -- from ARB to get us to that
13 number, the districts would appreciate.

14 So thank you very much.

15 VICE CHAIR BERG: Thank you.

16 MR. NOYES: Good afternoon, Chair Nichols and
17 members of the Board. My name is Graham Noyes. I want to
18 start by assuring you I'm going to use one minute or less
19 of time here and commend you for your dedication to
20 receiving public comment and to greenhouse gas reduction
21 and clean air, and recognize Assembly Member Garcia for
22 signing up for this as an additional duty on his desk.

23 I work in the Low Carbon Fuel Standard space in
24 particular, and really want to deliver a message from
25 industry that there's tremendous enthusiasm about these

1 short-lived climate pollutants, frankly, as feedstocks to
2 make transportation fuels out of. I want to commend all
3 the work that staff has done to move that LCFS program
4 forward, and the recognition in this report that this is
5 an opportunity here, and encourage close collaboration
6 between the agencies, particularly CDFA and CalRecycle and
7 the Air Resources Board to build out the pathways and
8 solve the other sort of technical problems that need to be
9 solved in order to basically make these incentives work
10 and valuable to the companies out there.

11 Thank you.

12 VICE CHAIR BERG: Thank you.

13 MR. MAGAVERN: I'm Bill Magavern with the
14 Coalition for Clean Air. This is a sound plan. It's a
15 strong plan. It's been a long time in the making and we
16 urge you to adopt it today, and move quickly to the
17 implementation.

18 As Senator Lara pointed out, this plan can really
19 help other countries, as well as other states to figure
20 out how to reduce short-lived climate pollutants in their
21 areas. And we know these are powerful climate forcers.
22 Some of these pollutants also are harmful at ground level.
23 And with black carbon, when it falls on our snowpack, it
24 accelerates the melting, and worsens our water supply
25 problem.

1 Black carbon is -- of course, will be reduced in
2 great part by a number of the measures that we talked
3 about this morning, and which you adopted this afternoon
4 to reduce diesel emissions from mobile sources. And as
5 we've heard in this presentation, we also need to reduce
6 wood smoke.

7 When it comes to methane, the biggest source is
8 dairy. Genevieve addressed that issue in her comments.
9 Second biggest source is landfills. We support diversion
10 of organics, and particularly into anaerobic digesters and
11 compost.

12 We do acknowledge that we come back again to the
13 funding issue. It will take a fair amount of money to
14 provide the infrastructure. So again, we face that issue
15 of where do we come up with the funding?

16 And the third biggest source of methane is oil
17 and gases, and you have a measure coming up soon that will
18 deal with that.

19 We also support the use of renewable gas, when
20 it's sustainably derived, and particularly when that
21 renewable methane can be put into long-haul trucks, and
22 used to displace diesel, and reduce air pollution that
23 way.

24 And finally, I applaud you for using the 20-year
25 time horizon. We think when it comes to assessing global

1 warming potential, we should always use a horizon of 20
2 years or fewer, because the situation is that urgent.
3 That's really a values choice and shows that we recognize
4 that we have a crisis.

5 Thank you.

6 VICE CHAIR BERG: Thank you.

7 MR. SHEARS: Good afternoon, Chair Nichols, and
8 members of the board. My name is John Shears. I'm with
9 the Center for Energy Efficiency and Renewable
10 Technologies. And California Hydrogen Business Council
11 had asked us to represent an issue for them this
12 afternoon, but I will leave that to my boss, John White,
13 to speak to after me.

14 So I'll just speak for CEERT right now. First,
15 I'd like to thank Senator Lara for championing the --
16 championing the legislation that's allowed this to come to
17 fruition. This is an issue that CEERT has championed for
18 over a decade. In fact, CEERT convened the first
19 symposium in California on this issue back in 2007, even
20 before the Haagen-Smit symposium addressing the issue. So
21 we're very happy to see today finally arrive.

22 I'd like to speak in strong support for the plan
23 and the work that's going to come out of the plan. I want
24 to acknowledge the concerns of some of my colleagues with
25 regards to the work around dairies. And, yes, some

1 dairies will be too small for it to be feasible, you know,
2 for certain approaches to work. And we do need to be sure
3 that in whatever program develops from the SLCP reduction
4 strategy does not, you know, lead to any perverse
5 incentives.

6 So we should make sure that we're directionally
7 moving towards cleaning up the industry, which is an
8 important part of the economy. And the issue is if
9 California doesn't regulate this industry and the industry
10 moves to a neighboring state, you know, will it be
11 regulated and operate nearly as cleanly as if we do it
12 here. So we're -- the other option is to squeeze the
13 industry out and push the impacts elsewhere. So I just
14 want to note that.

15 I'm also glad to see that the related item later
16 this afternoon on the oil and gas rule, there were some
17 changes made as part of the 15-day changes, which are
18 directionally consistent with the super pollutant
19 reduction strategy, so I'm glad to see that as well.

20 And again, like many other speakers today, I am
21 glad to see California again taking that championing role
22 and working on climate and the linked air pollution
23 issues, especially now with the federal government back
24 paddling, if not abandoning, a lot of the issues. So
25 California has an even more important role now than we

1 would have anticipated six months ago. So thanks to the
2 Board, thanks to the staff who've done all of the work on
3 the plan, and thanks to you all for the work we have yet
4 to undertake on this.

5 So thanks.

6 VICE CHAIR BERG: Thank you.

7 And our last speaker, John White.

8 MR. WHITE: Madam Chair and members, John White.
9 I'm here today on -- not just on behalf of CEERT, but the
10 Hydrogen Business Council. There are some technical
11 issues that were raised in a letter to the staff that
12 we've talked about in terms of use of certain phrases. We
13 like the term "renewable gas" better than the term
14 "renewable natural gas", and I think we've clarified that.

15 I also think that it's important as we look
16 forward to this beginning, which is what this is, of a
17 whole lot of work that we recognize the importance of the
18 linkages between the programs. You know, we don't want
19 another set of silos here that aren't going to inform each
20 other as we go forward. I think what's important about
21 being here today -- and first of all, I'm very glad to be
22 in Riverside. I'm glad to see the Board here. You'll be
23 here again more often, and it's where it all began for me,
24 so I'm grateful to be here.

25 But I think it's important that we keep our eye

1 on both the greenhouse gas reductions and the criteria
2 pollutants, and recognize the importance of achieving
3 those co-benefits, and recognizing the importance of
4 inventories. One of the things about methane that I
5 really think is important, we've got to get better
6 inventories, we've got to get better monitoring, and we've
7 to recognize that it isn't a inert air pollutant. It's a
8 slower reacting air pollutant that does cause ozone down
9 wind.

10 Lastly, my colleague Kathryn Phillips from the
11 Sierra Club asked me to raise an issue that she's
12 discussed with staff, so it can be dealt with, and that
13 has to do with the forest plan, and I think there's some
14 recognition to get that right, there's going to need to be
15 some more work done before we get into all the details and
16 so I just wanted to raise that issue, since she hadn't got
17 a chance to speak.

18 But anyway, I want to just thank the Board for
19 being here. Congratulate Assembly Member Garcia on
20 joining the Board, and thanks to Senator Lara for the
21 leadership that he and the administration showed. It was
22 a very important part of our presentation in Paris to talk
23 about short-lived climate pollutants. And I do think
24 Senator Lara said that the -- that what we learn, and what
25 we experiment with, and what we succeed with will have

1 implications for success all over the world.

2 So I thank you for your attention.

3 VICE CHAIR BERG: Thank you very much.

4 Well, that concludes the public testimony. I'll
5 now close the record on this item. I'd like to first turn
6 to staff and ask staff if we have any wrap-up thoughts.

7 EXECUTIVE OFFICER COREY: No additional comments,
8 Vice Chair.

9 VICE CHAIR BERG: Then I'll turn to the Board.
10 Is there any Board Comments?

11 Yes, John.

12 BOARD MEMBER EISENHUT: Thank you. I just want
13 to revisit the dairy digester, because I recall last fall
14 we discussed this. And there were a series of issues that
15 we discussed -- potential issues that we discussed with
16 staff, the access to the utilities for the -- for the gas
17 that would be likely produced, coordination with CDFA,
18 coordination with the industry. And those have been
19 handled very nicely and adroitly. And I encourage you to
20 continue on the path in which you're engaged in and with
21 the work group.

22 The observation I offer is there seems -- there
23 is appears to be an acceptance that the technology or the
24 economics will not be viable in small dairies. And I
25 think that needs to be re-examined. There are -- there

1 are states and countries that have on average very small
2 dairies that deploy digesters almost universally. And so
3 I think we need to, in part of our demonstration project,
4 and in coordination with CDFA we need to look at the
5 possibility of at least a couple of those demonstration
6 platforms being tied to small facilities.

7 Thank you.

8 VICE CHAIR BERG: Thank you very much.

9 Ms. Takvorian.

10 BOARD MEMBER TAKVORIAN: Thank you. Thanks to
11 everyone for the incredibly hard work. This is a very
12 important rule to come forward. I just want to repeat,
13 and I guess ask staff, the EJAC has said repeatedly that
14 there's a lot of concern in regards to the emphasis on
15 dairy digesters as the primary technology for methane
16 control. And I think we've heard over and over again
17 today, and we've heard at other Board meetings that the
18 environmental justice community and those that are living
19 in those communities have serious problems and are very
20 concerned about increased pollution.

21 So I just wanted to hear briefly - I know we're
22 late - from staff in terms of what the balancing is on
23 alter -- on technologies that are alternatives to the
24 dairy digesters, so that we're -- we can ensure that we
25 have a balanced approach.

1 Thank you.

2 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA:

3 Yeah. If I can take a real quick stab at that.
4 The strategy that's before you today describes a range of
5 potential measures -- methane reduction measures to be
6 considered in future programs. And it's important to
7 point out that there's no -- there's no one size fits all
8 approach to these things. So we do talk about dairy
9 digesters, but we also talk about the use of manure as
10 soil amendment and other approaches for that.

11 So you know, the measures that come out of this
12 process, I think will go through a public vetting process.
13 And a number of these issues and benefits and impacts will
14 be analyzed through that process, so that's -- that's
15 where we would be looking at those things, you know, on --
16 for each of the measures that come out.

17 EXECUTIVE OFFICER COREY: Board Member Takvorian,
18 I wanted to add to something, because I think it's an
19 important point that was implied here, and that is is
20 that, I think today we have 16 dairy digesters in the
21 State and 1.7 million cows. So the point was there's not
22 going to be one solution, but clearly we're looking at
23 better utilizing methane that's otherwise vented to the
24 atmosphere.

25 To the extent that that methane is captured in a

1 dairy digester, for instance, and this was envisioned in
2 1383, how do we get it in the pipeline, not burn it in the
3 valley, in an inefficient combustion unit? In fact, the
4 Low Carbon Fuel Standard is providing a value stream to
5 get that gas into a cleaner transportation sector and
6 displace diesel.

7 That's the objective, so that's why there are
8 multiple elements of 1383. One, the capital outlay up
9 front for alternatives including dairy digesters. Two,
10 the work with the PUC in terms of interconnection with the
11 gas line to get that gas into the system. And three, the
12 value stream to the Low Carbon Fuel Standard to have a
13 reliable value stream to get the cleanest fuels into the
14 transportation sector to displace diesel.

15 Now, there is a lot of work to do on everyone of
16 these elements for all these pieces to come together, but
17 that -- that's the vision for the effort.

18 BOARD MEMBER TAKVORIAN: Yeah. Well, thank you.
19 And I wouldn't disagree with any of that. I think the
20 piece that seems to be missing in terms of emphasis is, I
21 guess what we'd call pollution prevention, and so how do
22 we avoid the creation of the methane? What is -- what are
23 mechanisms that don't regard it as just a fuel?

24 And I'm not saying that shouldn't be done, but I
25 think that's the piece that at least I've heard today and

1 I've heard repeatedly seems to be getting not as much
2 consideration as it should.

3 VICE CHAIR BERG: Dr. Balmes.

4 BOARD MEMBER BALMES: Thank you, Vice Chair Berg.
5 I just wanted to pick up on something that my friend Kevin
6 Hamilton brought up. And since he said he'd be back to
7 beat on this drum, I'll beat on it for him right now. We
8 talked about this in the last item, but I really do think
9 the time has come for -- to consider an ag equipment rule.
10 And since my friends from the left bank, the valley, have
11 already brought that up, I just say the time has -- is
12 here for this.

13 VICE CHAIR BERG: And, Ms. Mitchell, did I have
14 you on my list?

15 BOARD MEMBER MITCHELL: I hope so.

16 VICE CHAIR BERG: Thank you. Please.

17 BOARD MEMBER MITCHELL: Thank you. Thank you
18 Vice, Chair Berg.

19 One issue was raised by Los Angeles County
20 Sanitation District, and that was - I'll ask staff to
21 comment on this - that reporting on this at -- by the year
22 2020 is perhaps too late, that we ought to look at an
23 earlier date for reporting back on progress on this. What
24 is staff's response on that?

25 EXECUTIVE OFFICER COREY: Supervisor Mitchell,

1 the 2020 is a reference in 1383, so -- oh, I'm over here.

2 (Laughter.)

3 EXECUTIVE OFFICER COREY: I could tell --

4 BOARD MEMBER MITCHELL: I should know your voice
5 by now.

6 (Laughter.)

7 EXECUTIVE OFFICER COREY: I could tell there was
8 some confusion.

9 So that reference is actually called out in 1383.
10 We recognize and we could have been clearer on this. The
11 fact is that we're providing and will continue to provide
12 an annual update to the Board in terms of the roll-out
13 implementation of the range of climate strategies,
14 including those embedded in the scoping plan, how is it
15 going, what are we seeing with respect to reductions, what
16 are the barriers. So we certainly will meet that 2020
17 more -- report back, but there will be interim reports,
18 because your point is if -- if we went dark between now
19 and 2020 that is way too far out.

20 BOARD MEMBER MITCHELL: And then one other issue
21 was raised by one of our speakers, and that is the problem
22 with drug-resistant antibiotics getting into the water
23 stream. And I've read about this, I'm just not sure what
24 the real facts are about it. Can somebody talk about
25 that?

1 No takers?

2 EXECUTIVE OFFICER COREY: That may be a report
3 back, where we get the experts on that point.

4 BOARD MEMBER MITCHELL: All right. I'll be
5 looking forward to that. Thank you.

6 VICE CHAIR BERG: Thank you.

7 Dr. Sherriffs.

8 BOARD MEMBER SHERRIFFS: Thank you.

9 Three small issues/questions. One, I want to be
10 sure, as has been mentioned, implementation tough and we
11 heard earlier a couple dozen scoop-ready projects, in
12 terms of dairy digesters. And I want to be sure that we
13 are doing everything we can to help those move forward.

14 Second is a question. The electric heat pumps,
15 if staff could comment on that as a fireplace option. I
16 don't know what the financial capital investment is to
17 begin with with one of those. It's not something that I
18 think we've ever talked about in San Joaquin Valley.

19 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA:

20 I'm sorry, Dr. Sherriffs, could you repeat the
21 first part of your question?

22 BOARD MEMBER SHERRIFFS: Well, the electric heat
23 pumps.

24 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA:

25 Oh. Okay. The electric heat pumps were

1 considered as we developed the strategy, and we'll be
2 continuing to consider those as we implement the wood
3 stove replacement program with CAPCOA. So, you know,
4 electric heat pumps work well in some conditions not
5 others, so that would be one of the things we'll be
6 looking at.

7 BOARD MEMBER SHERRIFFS: And capital cost?

8 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA: Of
9 the heat pumps?

10 BOARD MEMBER SHERRIFFS: Yeah, compared to
11 fireplace changeout or gas instead.

12 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA:

13 Right. Again, it depends on the application. So
14 we'll be looking at that as we implement that wood stove
15 replacement program.

16 BOARD MEMBER SHERRIFFS: All right, so -- but we
17 will continue to look at that.

18 And third, wondering how to get a ban on those
19 higher greenhouse potential refrigerants, or thinking
20 about a strategy -- if we come back in a couple of years
21 and we're not making the kind of progress that we see we
22 could, we should, we want to make to be sure we're
23 thinking about, well, what about a strategy that would in
24 fact be banning.

25 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA:

1 Yeah, and I think -- you know, as we -- as
2 Marcelle pointed out in the presentation, we're still
3 looking through the Kigali agreement and seeing how that
4 impacts the programs that we're envisioning. And then as
5 we go through that analysis, we'll be looking at various
6 approaches how it -- how that analysis informs the various
7 approaches. And as we talked about earlier, we're going
8 to be looking at, you know, what the options are.

9 And as we pointed out, you know, a number of the
10 low GWP refrigerants are already there in terms of the
11 cost and the efficiency. So that will help inform the --
12 you know, the measures that come out of this.

13 VICE CHAIR BERG: Supervisor Serna.

14 BOARD MEMBER SERNA: No, thank you.

15 VICE CHAIR BERG: Okay. With that, then we have
16 a resolution in front of us, Resolution 17- --

17 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA:

18 I'm sorry, Vice Chair Berg --

19 VICE CHAIR BERG: Yes.

20 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA:

21 -- before you do that, I need to add a CEQA
22 statement to the record.

23 VICE CHAIR BERG: Thank you.

24 INDUSTRIAL STRATEGIES DIVISION CHIEF VERGARA: No
25 new substantive issues have been raised today. We have

1 previously received and considered all comments heard
2 today.

3 VICE CHAIR BERG: Thank you very much. With that
4 CEQA statement, we have Resolution number 17-9 in front of
5 us.

6 Can I have a motion?

7 BOARD MEMBER DE LA TORRE: So moved.

8 VICE CHAIR BERG: Second?

9 BOARD MEMBER TAKVORIAN: Second.

10 CHAIR NICHOLS: Thank you.

11 All in favor?

12 (Unanimous aye vote.)

13 VICE CHAIR BERG: Any opposed?

14 And we have no abstentions.

15 Thank you very much.

16 CHAIR NICHOLS: We'll move on to our next agenda
17 item, which is the proposed updates to Senate Bill 375
18 greenhouse gas emissions reduction targets. Our
19 representatives of our State MPOs have been patiently
20 waiting here. And this is one we want to get done today.

21 So we're going to get through our agenda today,
22 but it will -- we'll do it much better if we can shorten
23 all of our presentations and also move the comments --
24 we're going to reduce the time for public comments from
25 three minutes to two. So for those who are planning to

1 comment on this item, and I know there weren't as many of
2 you, your time will be two minutes instead of three, if
3 you're a regular member of the public.

4 Okay. So this item was discussed in our January
5 Board meeting. SB 375 is an important complement to our
6 clean vehicle and fuels program in helping to achieve our
7 State's greenhouse gas reduction goals. And again, with
8 practically everything we do these days, whatever it is
9 we're doing for greenhouse gas reduction purposes also has
10 co-benefits that are significant in the area of improved
11 air quality as well.

12 The Board's role in updating program targets is
13 an opportunity to help guide local land-use and
14 transportation decision making towards meeting multiple
15 goals, as I just mentioned not only in greenhouse
16 reduction but as healthier communities as well.

17 And I know that some of the Board members who are
18 with us who also have serve on their regional air
19 districts and other regional bodies have been following
20 this particular piece of legislation as it's unfolded very
21 closely, and have often been involved in local planning,
22 and implementation processes. And we have also included
23 several MPO and State agency representatives on the
24 program to speak today.

25 So we'll ask you, Mr. Corey, to get us started.

1 EXECUTIVE OFFICER COREY: Yes. Thanks Chair
2 Nichols. And so staff for this update will have a -- has
3 an abbreviated about 10-minute presentation followed by
4 the MPOs. And with that, I'm going to ask Amy Volz of our
5 Transportation Planning Research Branch to give the staff
6 presentation.

7 Amy.

8 (Thereupon an overhead presentation was
9 presented as follows.)

10 AIR POLLUTION SPECIALIST VOLZ: Thank you, Mr.
11 Corey. Good afternoon Chair Nichols and members of the
12 Board.

13 Can we have the next slide.

14 Thank you.

15 --o0o--

16 AIR POLLUTION SPECIALIST VOLZ: Next slide.

17 --o0o--

18 AIR POLLUTION SPECIALIST VOLZ: You'll hear that
19 quite often through this presentation.

20 As you recall, SB 375 is an important strategy to
21 help meet our scoping plan greenhouse gas reduction goals,
22 as well as achieving important public health and other
23 co-benefits through more integrated land use and
24 transportation planning.

25 Under SB 375, california's 18 Metropolitan

1 Planning Organizations, also known as MPOs, prepare a
2 Sustainable Communities Strategy, also referred to as an
3 SCS, in addition to their regional transportation plan
4 every four years.

5 SB 375 gives the Air Resources Board two rules in
6 this process. One is the responsibility for setting the
7 targets for each MPO for the years 2020 and 2035. The
8 other is to review the submitted SCSs and determine
9 whether if implemented, the SCSs would meet the targets.
10 ARB staff has reviewed a total of 19 plans.

11 --o0o--

12 AIR POLLUTION SPECIALIST VOLZ: As a result of SB
13 375, we are seeing foundational changes occurring in the
14 RTP SCS planning process. This includes greater
15 coordination between MPOs and local agencies, as well as
16 with stakeholders that have not traditionally participated
17 in the planning process. This slide highlights the types
18 of strategies the MPOs are including in their plans, and
19 some of the actual on-the-ground projects resulting from
20 these strategies.

21 Broadly, these strategies fall into two
22 categories, transportation and land use. Transit project
23 include new transit lines and rapid bus service as well as
24 expansion of carpool and vanpool options.

25 For active transportation, incorporation of

1 complete streets policies and bike lanes have been add to
2 number of roadway projects, as well as new bike share
3 programs in several cities.

4 Common land-use strategies, including increasing
5 development densities, more mixing of land uses,
6 development in close proximity to transit stations and
7 stops, zoning code updates, and redevelopment of vacant or
8 under-used parcels within population centers. All of
9 these strategies are making communities across California
10 more sustainable and livable.

11 Next slide.

12 --o0o--

13 AIR POLLUTION SPECIALIST VOLZ: Next slide,
14 please.

15 --o0o--

16 AIR POLLUTION SPECIALIST VOLZ: Thank you

17 In the last year, ARB has also began a dedicated
18 effort to analyze associated public health code benefits
19 of these types of strategies as part of its scoping plan
20 analysis. ARB staff is working with the California
21 Department of Public Health to review methodologies
22 including use of the Integrated Transport and Health
23 Impact Model, also known as ITHIM, to help quantify these
24 benefits statewide.

25 Initial use of the ITHIM tool indicates

1 strategies that support increased walking and biking or
2 active transportation, like SB 375 will be strong
3 contributors to statewide public health co-benefits.

4 --o0o--

5 AIR POLLUTION SPECIALIST VOLZ: Next slide.

6 --o0o--

7 AIR POLLUTION SPECIALIST VOLZ: Next slide.

8 --o0o--

9 AIR POLLUTION SPECIALIST VOLZ: Now, on to our
10 work for the SB 375 target update process.

11 SB 375 specifies that ARB must update the targets
12 at least every eight years. Thus the current update will
13 take effect in 2018.

14 Next slide.

15 --o0o--

16 AIR POLLUTION SPECIALIST VOLZ: As part of the
17 target update process, ARB must consider a number of
18 factors. This includes the existing targets and program
19 progress to date, changes in statewide goals, especially
20 for the year 2030 per Senate Bill 32, and information and
21 technical analysis received from MPOs and stakeholders as
22 part of our public process. I'll touch on each of these
23 over the next few slides.

24 --o0o--

25 AIR POLLUTION SPECIALIST VOLZ: This table

1 summarizes progress to date and includes the current
2 target and plan performance for each MPO.

3 Next slide.

4 --o0o--

5 AIR POLLUTION SPECIALIST VOLZ: In addition to
6 what we've seen through development of the regional plans
7 since we first set targets, staff is also considering what
8 is needed to meet our broader statewide climate planning
9 goals. This slide represents the transportation scenario
10 from the scoping plan update. We need substantial
11 transformation and technology and fuels and vehicle miles
12 traveled referred to as VMT as indicated in the box to
13 reach our State goals.

14 In this scenario, technology and fuels are being
15 aggressively deployed. By 2050, zero emission vehicle
16 sales need to reach 100 percent. And the associated fuels
17 that power these vehicles need to be from increasingly
18 renewable sources. But even with this aggressive
19 transformation and vehicle in fuels, we will still need to
20 reduce VMT another seven and a half percent beyond what is
21 provided by adopted plans to meet our climate goals.

22 While stronger SB 375 targets will enable the
23 State to make significant progress towards our goals,
24 alone they will not provide all of the VMT reductions
25 needed. There is a gap between what SB 375 can provide

1 and what we need to meet the State's 2030 and 2050 goals.
2 Complimentary measures initiated at all levels will be
3 needed to achieve the full VMT reductions.

4 --o0o--

5 AIR POLLUTION SPECIALIST VOLZ: Put in another
6 way, in order to accomplish our State's goals, we will all
7 need to reduce our vehicle miles traveled by an additional
8 1.6 miles per day.

9 Next slide.

10 --o0o--

11 AIR POLLUTION SPECIALIST VOLZ: Next slide.

12 --o0o--

13 AIR POLLUTION SPECIALIST VOLZ: The big 4 MPOs
14 developed individual stress tests that evaluated the
15 potential effectiveness of various strategies. It should
16 be noted that the strategies in the stress test are not
17 fiscally constrained or limited by regional, State, and
18 federal rules.

19 The findings of the stress test indicate that the
20 ability of the big 5 HMOs to match or exceed their plan
21 performance levels will depend on State supportive
22 actions, including pricing. Stress test results were
23 completed very recently, and the MPOs are still working on
24 their target recommendations.

25 Next slide.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: Next slide.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: Next slide.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: Next slide.

(Laughter.)

AIR POLLUTION SPECIALIST VOLZ: One more.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: Based on the information we have received to date, and our analysis of what's needed to reach our climate goals, we put together the following preliminary discussion targets.

Next slide.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: Next slide.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: For updating the 2035 targets, staff is considering the following approaches:

For the big 4 and the 8 valley MPOs, we would use the latest modeling of their current SCS as the starting point for adjustments. Adjustments would be based on the statewide climate goals current SCS performance, as well as the challenges the MPOs have highlighted. For the 6

1 other MPOs, staff would use their later analysis or plan
2 performance whichever is greater with a commitment from
3 ARB to continue working with these MPOs to identify areas
4 for additional reductions.

5 --o0o--

6 AIR POLLUTION SPECIALIST VOLZ: Here are some of
7 the challenges to achieving reductions beyond the current
8 SCSs. These include the declining transportation revenue
9 as a result of lower fuel prices, fuel taxes not being
10 adjusted for inflation, and increasingly fuel efficient
11 vehicles entering the market.

12 In addition, current transportation spending
13 formulas and allocations provide little flexibility to
14 shift funding to more sustainable transportation projects.
15 It's also important to consider local land-use authority.
16 Local jurisdictions must be partners in implementing the
17 plans. Many jurisdictions have stated a need for
18 additional infill and redevelopment tools to achieve
19 greater land-use changes.

20 And the verdict is still out on the effects of
21 new mobility technologies on VMT. This includes
22 transportation network companies like Uber and Lyft, as
23 well as connected and autonomous vehicles. Most experts
24 agree VMT could increase without some level of policy
25 intervention.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: We have also identified areas for opportunity. We have mentioned the need for additional tools and resources. If the State is able to pursue new pricing and revenue strategies, this could lead to an increase in investment for sustainable development. The State can also look at adjusting our transportation spending priorities to allow for flexibility and project type funding.

This State will also continue to support local actions, facilitate collaboration, and provide resources to help local jurisdictions identify successful climate actions strategies.

We mentioned emerging technologies on the last slide as a potential challenge, but it can also represent an opportunity. Vehicle-to-vehicle and vehicle-to-infrastructure technology, ride sourcing and ride pooling, as well as shifting preferences among demographic groups presents us with opportunities to transform the transportation system.

These opportunities will need to be approached deliberately with greenhouse gas reductions in mind.

Next slide.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: Next slide.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: Now, we want to spend some time responding to the question you posed back in February regarding the role of SB 375 and the scoping plan.

--o0o--

AIR POLLUTION SPECIALIST VOLZ: Can we hit -- yeah, next. This slide is animated. Thank you.

Let's first start with historical VMT. This graph shows that per capita VMT has declined from 2002 until 2012, where it stayed relatively flat until 2014. In 2015, we see this trend begin to reverse and per capita VMT increase. While it's difficult to attribute changes in VMT to any one factor, we have observed that the sudden increase follows a decline in fuel price.

I think if the audio/visual person could back up one, we have a chart that should have popped up.

Oh. Okay. I'll describe VMT verbally.

This graph, or should-be graph, shows historical fuel prices in California for the same time period that we have VMT here. Except during recession, the cost of fuel has steadily increased since the early 2000s. However, by the end of 2014, the price of gas dropped nearly a dollar a gallon from what it was a year before. These Xs show the initial SB 375 targets for 2020 and 2035.

1 If you could hit enter.

2 There we go.

3 The adopted SCSs, if implemented, will achieve
4 additional reductions beyond the targets established in
5 2010. This is shown by the green square.

6 Next.

7 This blue diamond represents the per capita
8 greenhouse gas reductions needed from the transportation
9 sector to meet our climate goals. If you recall, these
10 are the reductions needed above and beyond the aggressive
11 ZEV deployment and renewable fuels needed in the scoping
12 plan. They are also above and beyond the performance of
13 the adopted SCSs. Achieving these reductions will require
14 coordinated SB 375 and State VMT strategies.

15 Now, let's zoom in to 2035. This box shows what
16 is needed from a combination of SB 357 -- there should be
17 a box here.

18 There we go.

19 All right. Okay. So this -- the numbers
20 associated with this box are statewide per capita
21 greenhouse gas reductions relative to 2005, the same
22 metric SB 375 targets are evaluated with. Our adopted
23 SCSs achieve on average a 17 percent reduction. We think
24 updated SB 375 targets could range up to 20 percent, if
25 additional revenue and other tools were available. When

1 combining SB 375 with other State tools, we can achieve
2 the full reductions needed to meet our climate goals.
3 Some of these critical State tools will be discussed in
4 more detail by Louise Bedsworth of OPR.

5 But first, I'll briefly summarize our next steps.

6 --o0o--

7 AIR POLLUTION SPECIALIST VOLZ: The individual SB
8 370 tar -- SB 375 targets for each MPO will be presented
9 in a draft staff report and associated environmental
10 document for release in late spring or early summer of
11 this year. Staff will conduct our workshops during summer
12 for CEQA and on the draft staff report.

13 The final staff report and environmental document
14 will then be presented to the Board for final adoption in
15 fall 2017. After this, ARB will update our technical
16 methodology and evaluate SCSs based on the new targets
17 that will take effect in 2018.

18 --o0o--

19 AIR POLLUTION SPECIALIST VOLZ: At this time, I
20 want to introduce Louise Bedsworth, Deputy Director from
21 the Governor's Office of Planning and Research to say a
22 few words about State level VMT strategies.

23 After Louise, we have Kirk Trost, the Executive
24 Director from SACOG will give a short presentation.

25 Following him, Kevin Hamilton member of the AB 32

1 Environmental Justice Advisory Committee will also say a
2 few words.

3 MS. BEDSWORTH: Thank you, and good afternoon.
4 Louise Bedsworth with Governor's Office of Planning and
5 Research. And I will also try to pare down my comments
6 and move as quickly as I can.

7 But I've been -- want to thank, first of all, the
8 opportunity to come and speak with you all, and staff for
9 working with us on a number of these news important
10 issues.

11 So in the public draft of the scoping plan, there
12 was a an appendix included around State actions to support
13 the reduction in vehicle miles traveled that also
14 accompanied a vision statement that a number of State
15 agencies worked on around really developing healthy and
16 sustainable communities, and landscapes, including forests
17 and agricultural lands across California.

18 And we did this really to try to work
19 collaboratively to look at how across all of our agencies
20 and departments so many of our actions touch on efforts to
21 reduce vehicle miles traveled, but also to meet land
22 conservation goals, to address housing, to protect public
23 health, equity, economic development.

24 And so in doing that work, we are looking at
25 highlighting State actions, but also really identifying

1 the opportunity for partnership between State, regional,
2 and local partners to achieve VMT reductions. And so
3 I'll -- so that's the big picture. I'll go into more
4 specifics on some of the areas that we exploring for
5 additional State action.

6 So the next slide.

7 --o0o--

8 MS. BEDSWORTH: So as was noted, we know
9 additional VMT reductions are needed to meet State climate
10 goals. And so we are exploring what are options for the
11 State to help support meeting these targets, and we
12 believe there's a number of win-win solutions across State
13 and regional governments to help meet these goals.

14 This scoping plan included an action -- an
15 appendix C with a number of actions as well as in the main
16 body of the document in really four primary areas: Infill
17 and -- infill development and conservation, infrastructure
18 investment, pricing policies, and transportation system
19 efficiency.

20 I'll focus really on the first three of these.

21 Some actions have already been undertaken to
22 support some of this work. And the ITHIM model --
23 modeling results were already mentioned. But also just
24 recently, the National Center for Sustainable
25 Transportation prepared an analysis of State actions to

1 help reduce vehicle miles traveled.

2 This -- excuse me. This analysis was supported
3 by the Strategic Growth Council and really represents a
4 first step, and it's an academic analysis to look at what
5 are the actions out there, what is the scope and the
6 magnitude of the effect of different VM -- actions the
7 State could take to reduce VMT.

8 The Strategic Growth Council is continuing to
9 work with the National Center for Sustainable
10 Transportation to dig deeper in this analysis. And so
11 as -- I will walk through some specific actions now. And
12 as was noted in the scoping plan, these ideas were laid
13 out, and we are committed over the coming months and
14 following the passage and adoption of the scoping plan to
15 work in a holistic cross-agency way, but also with the
16 public to further refine these actions.

17 So next slide.

18 --o0o--

19 MS. BEDSWORTH: So first I'll talk about infill
20 and conversation. I think this is where a majority of our
21 activity to date has occurred. We've been doing a lot of
22 work on CEQA streamlining for infill development with
23 several legislative directives there.

24 We've recently, at OPR, did a comprehensive
25 update to the general plan guidelines for the first time

1 since 2003, integrating climate change throughout that --
2 those guidelines completely, and addressing a number of
3 other issues, including Complete Streets.

4 Of course, we've been implementing funding
5 programs through the Greenhouse Gas Reduction Fund that go
6 to support sustainable community projects that directly
7 reduce vehicle miles traveled.

8 So under -- additional actions under
9 consideration that will be led by the Strategic Growth
10 Council are the opportunity to expand incentives for
11 infill development, and then also to connect these
12 incentives with regional conservation policies. And the
13 use that is being developed under the implementation of
14 Assembly Bill 2087 to develop regional conservation
15 investment strategies.

16 So the next slide.

17 --o0o--

18 MS. BEDSWORTH: Looking at aligning
19 infrastructure investments. To date, much of this has
20 been accomplished through the increased investment in the
21 active transportation program, but also investment in
22 high-speed rail and transit connectivity projects.

23 Looking ahead. Actions that are under
24 consideration that would be led by the California State
25 Transportation Agency, and also the Strategic Growth

1 Council are the development of performance metrics for
2 infrastructure development, and infrastructure investment
3 to align those investments with performance goals that we
4 have, and then expanded investment in transit and active
5 transportation moving forward within our transportation
6 investment

7 And finally on the next slide --

8 --o0o--

9 MS. BEDSWORTH: -- continuing to explore pricing
10 policies and the role that these could play. CalSTA has
11 been leading the California Road Charge Pilot that's been
12 underway to assess and increase the understanding of road
13 user fees and implementation. A final report on that
14 program is due to the legislature this summer.

15 So as we look forward and as was laid out in the
16 California Transportation Plan 2040, CalSTA will continue
17 to assess and look at the feasibility of pricing policies
18 and how they fit to meet multiple objectives going
19 forward, and how they can be used to fund infrastructure
20 investment, reduce congestion, and also to reduce vehicle
21 miles traveled.

22 So next slide.

23 --o0o--

24 MS. BEDSWORTH: And so I'll just conclude by
25 saying I think all of these actions have emerged really

1 through our conversation looking at supporting integrative
2 climate actions and really trying to think about how the
3 State can work across scales, so State, regional and local
4 projects, as well as across sectors, so looking across
5 housing transportation, climate change, public health, and
6 equity.

7 So I won't run through everything on this slide,
8 but a lot of work has been going on to date, and we will
9 be continuing to develop and refine these programs going
10 forward. So thank you.

11 CHAIR NICHOLS: Okay. Welcome.

12 MR. TROST: Thank you, Chair Nichols, members of
13 the Board. Really appreciate the chance to come here and
14 talk to you. I still have my hour that was allocated,
15 right?

16 (Laughter.)

17 MR. TROST: So I'd like to introduce this item on
18 behalf of the MPOs. I would like to give an opportunity
19 to representatives from the other MPOs who want to talk a
20 little bit about their plans and the stress tests that
21 were done in each one of the major MPOs.

22 I do want to -- can you go to the next slide,
23 please.

24 --o0o--

25 MR. TROST: So I do want to start by saying we've

1 developed a great relationship with your staff. We really
2 appreciate the opportunity to work through these issues.
3 We started last year talking about this process of doing
4 stress tests and the parameters for doing those stress
5 tests. And we haven't always agreed with each other.
6 We've had different perspectives about these things, but
7 I've we've had a really great dialogue with them and we
8 look forward to continuing to work with them throughout
9 the process.

10 The next slide, please.

11 --o0o--

12 MR. TROST: So what we're going to do here is
13 we're going to talk very briefly about what's going on in
14 each one of our regions and the plans that we have
15 developed and are in the process of developing. I want to
16 give a little bit of background about the stress test and
17 then talk about the results in each one of the regions and
18 talk a little bit about the conclusions.

19 But I will say the 20 percent number that was put
20 out there is just a number that your staff is working off
21 of. And we are still working very hard to figure out
22 where we think we can go with our plans under various
23 conditions. But the 20 percent number is not a number
24 that we see as reasonable yet. We're still doing that
25 work.

1 When we talk about our plans, I do want to say
2 that as you probably well know, the process of developing
3 our plans is a very delicate balancing of issues around
4 the environment, including specifically focused on air
5 quality and greenhouse gas emissions, equity issues in all
6 of the communities within our regions, the economic
7 development and health of our communities and also the
8 mobility needs of our regions at a time when those things
9 are changing very dramatic and fast right in front of us.

10 Next slide, please.

11 --o0o--

12 MR. TROST: So I want to talk a little bit about
13 the stress test. The staff talked about it and I won't go
14 through it in details. And the slide that you have in
15 front of you talks about the different areas that we
16 looked at. But I -- what I want to do is just focus for a
17 minute on the theory of what we did here, because it was a
18 theoretical exercise.

19 By definition, the stress test involved
20 implausible scenarios. They were kind of like the
21 scenario testing that was done back in 2009 and 2010 when
22 the RTAC developed the initial target recommendations for
23 the regions. We didn't look at the targets from the
24 ground floor up. What we looked at is what were the
25 existing targets, how were the plans performing, and how

1 could we make incremental changes in the targets.

2 But what we mean by implausible is that we can't
3 necessarily go back and implement them. There are two
4 critical elements to adopting these plans. One is they
5 are financially constrained. We can only assume the
6 finances that are reasonable project over the horizon
7 years of the plans, we can't assume additional revenues.

8 The other thing under -- is under State and
9 Federal law in particular, we have to assume a reasonable
10 forecast for the land use development within our region.
11 We can't just assume any amount of additional density and
12 infill or anything else. It has to be reasonable.

13 We do in our -- we have each made extraordinary
14 efforts in each one of our regions to try and create a
15 more compact form that is served by a good transportation
16 system. And we've made enormous progress, but we can't
17 just design anything that a planner would put on a piece
18 of paper and assume that we can achieve that over the
19 horizon years of our plans.

20 So we've looked at all of these factors, and I
21 guess the other thing staff talked about a little bit, and
22 I want to highlight here is the issue of the change in
23 vehicle efficiency and the technology that is racing so
24 quickly ahead of us.

25 Looking at SB 32 now, we are seeing a scenario

1 where fuel efficiency or vehicle efficiency is going to
2 increase maybe 40 percent. The result of that is that the
3 cost of driving is going to go down by something like 17
4 percent. And we call that the rebound effect. And we can
5 disagree on percentage points about what impact it's
6 having, but it's clearly -- as any economist would tell
7 you, it is clearly having the impact and going to have the
8 impact of driving vehicle miles traveled up.

9 And so the solutions you'll see in a minute are
10 going to be that the biggest bang for your buck, or the
11 biggest way to influence the plans is user cost neutrality
12 or bringing user cost back up through some kind of pricing
13 strategies in order to balance out that increase in
14 vehicle miles traveled that were seeing in our plans.

15 Next slide, please.

16 --o0o--

17 MR. TROST: So these are the things that we're
18 learning through this. Not all the strategies are equal,
19 and you're going to hear from each one of the MPOs.
20 They're different in each region, based upon the different
21 tests. Why?

22 The land use forums are very difficult, the
23 amount of money that each region has is very different,
24 the amount of transit and the amount of driving that is
25 baked into the plans in each one of the regions is very

1 different. And you'll see that in the results that we're
2 going to talk about today.

3 But again, this new challenge is efficiency is
4 great, right? It's good for the environment. It reduces
5 tailpipe emissions. We get cleaner air and fewer
6 greenhouse gas emissions, but there is this other impact
7 of increasing VMT that's a reality that we have to find a
8 way to deal with.

9 Next slide, please.

10 --o0o--

11 MR. TROST: So I want to talk -- this is my
12 opportunity to talk a little bit about the SACOG region
13 and then I'll ask my colleagues to come up and talk about
14 their region. We are very proud of what we've done in
15 Sacramento.

16 Our plan is largely -- and I want to acknowledge
17 Member Serna who's been on our board and been a leader on
18 our board for many years, and I appreciate him being here.
19 He gets more of this credit than I do for the plan that
20 we've developed. It was largely based upon the blueprint
21 that was adopted in the Sacramento region in 2004. We've
22 celebrated over a decade of its existence. And the plan
23 being based on it has made extraordinary developments.

24 We have now a compact form that's developing in
25 the Sacramento region. Fifty-eight percent of all

1 revidential[sic] -- all residential growth and 80 percent
2 of all employment growth is going in infill areas. Those
3 are the gray and red areas that you see. So we've taken
4 where a decade ago we were looking at a growth pattern
5 that extended out into the green areas, we're now making
6 success in bringing that into focused infill areas.

7 That creates more opportunities for mode shift
8 for more biking, more walking, a better way that we can
9 serve efficient transit to those areas in the future.

10 One of the other key principles of the blueprint
11 was diversity of housing options, and we're seeing much
12 more focused development within those centers and
13 corridors. Dwellings in these areas increased by 80
14 percent in our plan, and we're also seeing that we're
15 achieving that. This is not just a -- statistics that are
16 in the plan. We've seen that.

17 In the period from 2005 to 2014, we are doubling
18 the amount of growth that's occurring in the attached unit
19 forms. So we are seeing more small lot, more attached
20 units, more multi-family. We are delivering on the
21 promise that we made in the blueprint to our region to
22 reduce congestion, to improve air quality and reduce
23 greenhouse gas emissions.

24 Next slide, please.

25 --o0o--

1 MR. TROST: So this slide describes the three
2 areas that we really focused on when we did the stress
3 test in the Sacramento region. So we looked at enhanced
4 local electric vehicle deployment, we looked at pricing
5 strategies both at \$0.04 sense a mile and \$0.08 a mile.

6 But I want to focus for a minute on this enhanced
7 land use transportation. In that was, we didn't look at
8 just land use, we looked at what we thought was a
9 realistic scenario. We combined a more aggressive
10 land-use strategy with what you need to go with it, which
11 is more transit and dollars to support investing in the
12 infrastructure that would allow us to build more infill
13 development.

14 So we took the existing plan, which was doubling
15 the investment in transit. It was doubling the investment
16 in bicycle and pedestrian improvements, and we kicked it
17 up a notch by about 15 or 20 percent beyond what was
18 already in our plan, but here's the important thing.
19 Doing that cost us somewhere between three and five
20 billion dollars, right?

21 We need about one to two billion dollars of
22 landside infrastructure to achieve those additional
23 densities, and we need two to three billion dollars in
24 additional transportation funds in order to build the
25 infrastructure that we need to support that denser land

1 use form.

2 Next slide, please.

3 --o0o--

4 MR. TROST: And this will give you some
5 indication of what the results of our testing were. We
6 can get up to four percent additional greenhouse gas
7 reductions potentially, if we go to that scenario. It was
8 referred to as Scenario 3 in our environmental document.
9 But we figured it was not a feasible plan to implement,
10 because we didn't have the revenues associated with it.

11 So with revenues in the range of three to five
12 billion dollars plus additional money for affordable
13 housing, these are the kinds of impacts that we could see.

14 But the other thing to keep in mind our target is
15 16 percent. With the VMT rebound impact, we think that
16 that is going to cut back our potential emission savings
17 by three percent. So in the current scenario, where we're
18 looking at greater fuel efficiency, a 16 percent reduction
19 plan is going to perform much worse. These kinds of
20 strategies help get us back to where we plan to get and
21 maybe do a little bit more.

22 So I'll stop there, and I'll let my colleagues
23 come up. If I can just make a final -- a couple of final
24 remarks on behalf of SACOG. When SB 375 was adopted back
25 in 2008, I think we assumed we -- I know we assumed we had

1 a lot more in our toolbox than we actually have today. We
2 assume that we had redevelopment that would support infill
3 development and reuse of parcels in our urban area. We
4 assumed that we were not going to have the kind of erosion
5 of purchasing power of the federal and State gas tax,
6 which have respectively 30 and 40 percent the value of
7 what they had in the 1990s. All of these things have made
8 it much more difficult for us to achieve the objectives in
9 our plan, and we're doing well notwithstanding those
10 constraints.

11 So when we talk about more aggressive targets and
12 doing better, we have to keep those things in mind that we
13 need revenue solutions to help us, and we need pricing
14 strategies to help drive the VMT down. And the final
15 thing that I would just say is SB 1 and AB 1, our Board
16 has been aggressive supporters of that -- those bills, and
17 they mean a lot. They will do a lot for our region. They
18 are absolutely essential, but they are not an answer to
19 the revenue problems that we're talking about here.

20 There is not enough pricing there, and there is
21 not enough revenue there to solve these kinds of things
22 that we're talking about achieving more aggressive
23 targets.

24 So with that, I' like to introduce Gary Gallegos
25 from SANDAG.

1 MR. GALLEGOS: Thank you, Madam Chair, and CARB
2 Board members. My pleasure to be here before you this
3 afternoon. And I thought I would first start by focusing
4 on land use. And I don't if we've got some slides that
5 are coming up.

6 So I brought a couple pictures. And you know
7 pictures are sometimes worth a million words. But while
8 they're bringing them up, I wanted to highlight the
9 progress that we in San Diego have made over the last 17
10 years or so when we looked at, you know, where our
11 land-use patterns started back around the turn of the new
12 century.

13 And, you know, we had land-use pattern.

14 So here's these two maps.

15 --o0o--

16 MR. GALLEGOS: Oops. Can we go -- can we stay
17 there for second.

18 All right so here's these two maps. Here's what
19 our land-use patterns looked right at the start of the new
20 century. And what you see in blue is where housing was
21 being planned. What you see in purple is where jobs are.
22 And what you see in green is where open space was planned.

23 And I'd like to, you know, highlight just to put
24 some numbers on that. Back at the turn of the century
25 about two-thirds of the county was planned for

1 development, and about a third of it was planned to be
2 preserved in open space. And our housing mix, in terms of
3 new houses being planned back at this time was almost a
4 split between multi-family houses and single-family
5 houses.

6 So now I'd like to focus your attention to the
7 right side of the map on 2013 or where we're at currently.
8 And again, same colors there. And so hopefully what you
9 see here is a lot more green, a lot less blue, because
10 we're compressing the blue into the urban part of the
11 county. And you'll see that the job centers grow a little
12 bit, but they relatively stay the same.

13 So to put some context to this map. In this map,
14 about 55 percent of our county would be preserved in open
15 space, and about 45 would be dedicated to development. On
16 the housing side, we made dramatic changes, where, you
17 know, before our split between multi-family and
18 single-family houses were roughly 50/50. Today, about 82
19 percent of the new housing being planned in San Diego
20 County is multi-family housing, and about 18 percent of it
21 is single-family housing.

22 So we've -- this has not been done without a lot
23 of pain, so it has been difficult. I want to highlight
24 Supervisor Roberts here, because most of the blue dots
25 that you see on the left-hand side that are not on the

1 right-hand side, that was -- and many -- we have 18 cities
2 in San Diego county within the county, and most of our
3 cities have currently adopted general plans that aren't,
4 you know, 20 or 30 years old.

5 And the county took the lead for -- in adopting a
6 new general plan where they down-zoned over 30,000
7 parcels. And so as the county was down-zoning then, the
8 rest of our cities were up-zoning and that's what you see
9 in this picture, and that shows. And the reason this is
10 important when we highlight some of the stuff on the
11 stress test is -- and Kirk talked about in SACOG they can
12 achieve a certain amount through land-use planning. In
13 San Diego probably a little different for us, because a
14 lot of the, you know, concentration of housing has already
15 been done, so we don't get as much out of the land use
16 piece.

17 But this is kind of where we're at. We're proud
18 of that in the fact that we're definitely focusing more
19 development into the urban core area and reducing sprawl
20 out in the back country.

21 So if I can go to the next slide quickly, I know
22 we're short on time.

23 --o0o--

24 MR. GALLEGOS: So we, like the rest of the major
25 MPOs, conducted these stress tests. And on the land-use

1 side in advanced transit planning, we think we get around
2 two percent. So that's a little different than I think
3 the four percent you saw from Sacramento. We looked at
4 using a mileage based user fee. We were probably a little
5 bit more aggressive than maybe some of our partners here
6 were.

7 And the drive here was -- in working with your
8 staff to get to, what would it take if we had a seven and
9 a half percent reduction the VMT? And our modeling model
10 shows that, you know, that would require somewhere between
11 a 15 to 18 cent per mile fee.

12 We've spent some time talking to our board about
13 this. This is an area of major concern, because it would
14 really drastically raise the cost of driving for many San
15 Diegans after -- throughout our region.

16 And then we also looked at vehicle technologies.
17 And this is an area what we would encourage CARB to
18 continue to be as aggressive as you can, because this is
19 where we believe we'll see the greatest opportunity to
20 really move the dial, and we believe that, you know, if
21 you could enhance EV penetration into the market that's
22 four times faster than your current plans are suggesting,
23 then we could probably not get one or two percent, but we
24 could get like 20 percent reduction in greenhouse gases,
25 if we just had a lot more EV penetration.

1 So if I can go to the last slide.

2 --o0o--

3 MR. GALLEGOS: This kind of summarizes, you know,
4 where we're at and the fact that our plans have been
5 moving aggressively. We continue to transform our
6 land-use plans. We're building a robust transit program.
7 We're currently extending a light rail system that
8 connects our two largest job centers, about a \$2 billion
9 light rail extension that we're part of -- very proud of.

10 We're working at trying to establish mobility
11 hubs. We've advanced two, three hundred million dollars
12 of advanced active transportation dollars to really jump
13 start a bunch of bike a ped projects in San Diego, so
14 those continue

15 We like to highlight, and we suspect, you know,
16 you heard that from Kirk, and you hear it from the others
17 that revenue is declining and additional funds are going
18 to be needed if we're going to make continuous project.
19 In our case, we had a sales tax measure that didn't pass.
20 So that will have an impact as we look into the future,
21 not to say that our Board won't come back to the voters of
22 San Diego in the future to ask for more, but we've got to
23 deal with the realities we have today.

24 Major efforts in pricing and technology are going
25 to be required. We've been doing that on Interstate 15

1 for a while, where we've been pricing pretty successfully
2 for -- since 1996.

3 And then the last thing I'd like to leave you,
4 while there's a lot of focus on pricing, that as we do
5 that, that we take particular interest into what that
6 might do and the impacts it might have to our
7 disadvantaged communities.

8 And in San Diego, as an example, that, you know,
9 if we look at where our job centers are versus where our
10 disadvantaged communities, they don't necessarily all
11 match up, right? So people in disadvantaged communities
12 commute to where they work. And so as we explore the
13 pricing idea that we're just sensitive of the impact that
14 it has to all Californians, and all San Diegans, but also
15 specifically to our disadvantaged communities.

16 And with that, let me pass it on to our partners
17 from the Bay Area.

18 MR. KIRKEY: Good afternoon, or should I say good
19 evening, Chair Nichols and Board members. I know it's
20 been a very long for you all. I'm Ken Kirkey, Planning
21 Director with the Metropolitan Transportation Commission.
22 I should first note that Steve Heminger who was here for
23 quite awhile is regrettably no long here. He had to head
24 back for an important Board meeting tomorrow morning back
25 in San Francisco.

1 So I'm going to walk through our view on this
2 topic. And I'll try not to repeat myself or repeat my
3 peers that you've already heard from.

4 --o0o--

5 MR. KIRKEY: First, looking at our plan that was
6 adopted in 2013 is a highly aggressive plan. It's know as
7 Plan Bay Area. It focuses 80 percent of the growth in
8 what we call Priority Development Areas. Those are
9 transit served infill areas adopted by local governments.
10 They're only five percent of the regions land area.

11 It also assumes that the existing urban growth
12 boundaries are urban limit lines, and that counties
13 outside of the City and Count of San Francisco that they
14 stay where they are through 2040, which is a pretty
15 significant achievement.

16 It assumes a lot of investment in transit.
17 Significant transit growth and capacity increases,
18 modernization of the system in those focused growth areas.
19 It incentivize housing production through our One Bay Area
20 Grant Program and a number of other grant programs that we
21 put in place to incentivize trance-oriented development.

22 And we also, as you may recall, those of you who
23 were here, our plan incorporates a number of initiatives
24 related to climate programs, accelerating electric vehicle
25 usage, launching a commuter benefits ordinance for the

1 nine counties, and a number of other programs to really
2 ramp up GHG reduction related to SB 375.

3 Next slide.

4 MR. KIRKEY: So we are still in the middle of our
5 second plan, which is slated for adoption this summer.

6 --o0o--

7 MR. KIRKEY: And so the approach we took on the
8 stress test was to utilize one of our scenarios for our
9 plan update. It's called a Big City Scenario. It focuses
10 a lot of the growth in our three largest cities, San Jose,
11 San Francisco and Oakland, as well adjacent urban suburbs.
12 And it does add a couple of points relative to the
13 preferred scenario that our board, the ABAG Board and the
14 MTC Board selected.

15 However, it also does a couple of other things
16 that I think are worth noting. One is it really goes to a
17 highly aggressive level of land use in those communities.
18 At a level that those communities were not particularly
19 comfortable with, and that was in part because of the
20 really significant increase in funding that would be
21 needed for affordable housing.

22 The loss of redevelopment has been a big issue as
23 you're aware in many of these communities. And also,
24 there would be a huge need for expanded transit service,
25 not just frequencies and so forth, but capital investments

1 well beyond what we could foresee with the funding that we
2 can identify.

3 We have also tested road pricing like the other
4 MPOs. And a \$0.04 per mile and an \$0.08 per mile VMT fee
5 can be make a difference. However, as Gary just noted, we
6 are concerned, our Board is concerned about the potential
7 impact of VMT fees on low income populations.

8 Displacement was a big concern with the big city
9 scenario. And VMT fees, which have the equivalency of a
10 very expensive gas tax, that's what essentially it equates
11 to. We believe that while it could be significantly
12 helpful, particularly if those funds are utilized to
13 support focused growth, the effect on low-income
14 populations would have to be seriously considered.

15 Also, as was mentioned earlier, cleaner vehicles
16 and technology improvements do lower the cost of driving
17 leading to increases in VMT.

18 Next slide.

19 --o0o--

20 MR. KIRKEY: So we know that aggressive land-use
21 patterns can make a difference, but we can't do them in
22 the Bay Area without a lot more money for transit. We
23 need resources to address equity and displacement, as I
24 mentioned relative to any roadway user fee, as well as a
25 lot more funding for affordable housing than currently

1 exists.

2 And as you're probably all aware, housing is a
3 big problem in much of California. It's a particularly
4 chronic problem in the Bay Area.

5 And lastly, I will mention that an opportunity
6 that we think is to look at really linking zero emission
7 vehicles with autonomous vehicle fleets as they evolve and
8 go forward. Right now, we're seeing a big impact in our
9 region from Uber and Lyft and other ride-hailing services.
10 If those are clean fleets, that could be a good thing. If
11 they aren't clean fleets, it's not a good thing. It's
12 actually driving up VMT and starting to impact some of our
13 transit ridership.

14 So with that, I will stop and pass the baton to
15 Hasan from SCAG.

16 MR. IKHRATA: Thank you good evening, Chair
17 Nichols, Board members. Good to be with you. It is a
18 long day for you I know, so I'm going to move very
19 quickly.

20 We adopted a second plan last year.

21 --o0o--

22 MR. IKHRATA: And we're proud to say that we have
23 pushed the envelop to achieve 18 percent per capita
24 reduction in 2035, which exceeded the targets set by the
25 Air Resources Board. Many other benefits to the plan.

1 Go to the next slide, please.

2 --o0o--

3 MR. IKHRATA: Now, I'm not going to repeat what
4 my colleagues talked about. We obviously focus on fixing
5 what we have. We concentrate growth in high quality
6 transit areas. Fifty percent of the growth was in three
7 percent of the land area.

8 We focus a lot on, and we're actually the
9 furthest metropolitan planning organization in the
10 country, to assume that the existing gas tax, both at the
11 federal and the State level, will be replaced by a
12 user-based tax, because we feel from a venue standpoint
13 from a congestion standpoint that's the way to go.

14 Next slide, please.

15 --o0o--

16 MR. IKHRATA: Now, the debate here is about what
17 else can we do? What you, as an Air Resources Board,
18 going to tell us how much we can achieve?

19 A few months ago, the voters in Los Angeles
20 County voted their fourth sales tax measure. That will
21 generate \$120 billion, and we're going to invest a lot in
22 transit. That's a good thing.

23 But transit ridership is going down, not only in
24 our region, in the nation. And we do have researcher from
25 UCLA, Dr. Brine Taylor is looking into that. Why is that

1 happening?

2 And, you know, we could guess, and I can tell you
3 that the fact that Uber and Lyft exist created a
4 competition. So that tell us we need to continue
5 investing in transit, but we need to be smart how to
6 invest in transit.

7 We need to make sure that we deploy market
8 strategies like Uber and Lyft into the transit. The first
9 and last mile was a big issue for especially rail. Those
10 market strategies could be a key in putting people into
11 rail and getting them to the transit station and to the
12 last mile. We did a lot of stress test.

13 Going to the next, please.

14 --o0o--

15 MR. IKHRATA: And those stress tests said, you
16 know, you could push the envelope and get \$120 million
17 dollars and put transit with -- on an established urban
18 form like we have in Southern California. And I think
19 that's true for our -- my other sister MPOs, is you could
20 get another one or two percent.

21 Where you really start making a difference is
22 when you deploy pricing. You know, I think I spoke to you
23 a few years ago, and I said bad pricing kills good
24 planning. You could have the best plan in the world, and
25 if you don't price the system right, it's not going to

1 work. And pricing takes different forms.

2 So I do believe, and I had to with my colleague
3 said, is user fees are the most effective going forward.
4 Of course, there's all kinds of political realities and
5 all kinds of equity issues -- social equity issue need to
6 be dealt with.

7 But we're also kind of bearing -- you know, our
8 success sometimes lead to more greenhouse gas emissions,
9 you though, more fuel efficient vehicles makes it cheaper
10 to drive, and therefore there's more vehicle mile
11 traveled. But if you price it, you might get a different
12 result.

13 So we're trying to really push the envelope now
14 in our regions. And I want to add my colleague said, we
15 have -- in this price, we have changed the discussion in
16 the State of California in a good way about the future,
17 how to sustain the future.

18 But at the same time, we still have 40 million
19 Californian that need to get from A to B. And we can't
20 over night think that they're all going to bike or use
21 transit. Some of them will drive. And if the discussion
22 is about using greenhouse gas emission, we have to be
23 realistic about how much can we achieve in 20 years.

24 Next slide and the last slide.

25 --o0o--

1 MR. IKHRATA: So I believe -- I'll leave you with
2 this. We're trying to do our best to achieve, and we did
3 that in 2016. And we're going to our board very shortly
4 and we're going to push the envelope. I will caution you
5 this -- obviously, you're in charge. You can do whatever
6 you want with the target.

7 (Laughter.)

8 MR. IKHRATA: But let us not go backward. Let us
9 not put a target that these stress tests are telling you
10 we cannot achieve, because the law clearly allow as MPOs
11 to do what's called alternative planning strategy.
12 Alternative planning strategy, there's a different name
13 for them, a fantasy plan.

14 I would say this is going backwards. Let us keep
15 the discussion about moving forward. And I urge you to
16 set a target based on these stress tests that we can
17 achieve, so we move forward, not backward.

18 And I thank you very much, and welcome to
19 Southern California. And I told my colleagues they saved
20 the best for last, you know that.

21 (Laughter.)

22 MR. IKHRATA: I also told Sacramento, if you have
23 trouble achieving a target, they can be part of the SCAG
24 region, because we're not big enough.

25 (Laughter.)

1 MR. IKHRATA: So thank you very much for being
2 here.

3 CHAIR NICHOLS: Thank you. Especially appreciate
4 it as we wear on into the evening, but really this is too
5 important to put off and so we appreciate you're sticking
6 with us.

7 Board member comments at this point?

8 Later. Okay. Let's wait until we've heard from
9 the audience. We have a number of people who've asked to
10 testify, but not a huge number. If I could find the list.

11 AIR POLLUTION SPECIALIST VOLZ: Chair Nichols.
12 Sorry to interrupt. We had one more presenter.

13 CHAIR NICHOLS: Oh, I apologize.

14 AIR POLLUTION SPECIALIST VOLZ: That's okay.

15 EJAC MEMBER HAMILTON: How could you forget me,
16 Mary?

17 (Laughter.)

18 CHAIR NICHOLS: I don't know. It's because I
19 take you for granted.

20 (Laughter.)

21 EJAC MEMBER HAMILTON: I know. It's just like
22 being at home.

23 (Laughter.)

24 CHAIR NICHOLS: I'm sorry.

25 EJAC MEMBER HAMILTON: That's okay.

1 --o0o--

2 EJAC MEMBER HAMILTON: Thank you. And I want to
3 thank the Board again for their patience and for allowing
4 the EJAC to present on this particular item. These SCS
5 targets are critical parts of all of our planning moving
6 forward to reduce greenhouse gases, and improve the
7 liveability of our communities. And I think the EJAC
8 you'll find is very supportive in all the approaches that
9 we've heard today.

10 And I really appreciated hearing the MPO leaders
11 who mentioned their concern for the disadvantaged
12 communities that might be impacted by any pricing plans.
13 We all reconciled -- we're all pretty much reconciled to
14 sharing the pain around, but some have been experiencing
15 the pain for a long period of time already anyway. And so
16 we need to think about how we balance that, and make sure
17 those options are flexible and available.

18 And I really appreciated the planning when I
19 heard in San Diego where they illustrated where the work
20 is, and where the housing is and connecting those two.
21 Far too often, we see in MPOs, that I deal with at least,
22 the planning is oriented around getting people to retail
23 shopping, and spending money, rather than places where
24 they go to work and make money. So I'm glad to hear that
25 kind of approach. Thank you. Thank you for that. I

1 think that's incredibly important.

2 If we could have the next slide, please.

3 --o0o--

4 EJAC MEMBER HAMILTON: So from the EJAC, you have
5 these overarching themes that we think were well
6 illustrated here and we need to keep considering. And I'm
7 just going to run down through them very quickly. The
8 access to quality and affordable clean transportation
9 technologies. In disadvantaged communities, people are
10 poor. This kind of technology tends to be pricey. And so
11 we're starting to see some inroads there, but we need a --
12 we have a long way to go.

13 So we were talking about Teslas today, and it's
14 like when -- when will my community ever be able to --
15 hell, when will I be able to afford a Tesla? But, you
16 know, I just don't see that.

17 And even Priuses, and other class of vehicle like
18 that are still very expensive, and require incentive
19 funding to offset their cost to even match their
20 counterparts in the conventional gasoline driven side of
21 the business.

22 And so we need to see again increased penetration
23 into that market with targets for the industry itself that
24 California has taken the lead on setting for conversion
25 over to EV side.

1 And as that happens, of course, the pricing will
2 take care of itself. We need meaningful investments in
3 these communities by the transportation sector. And I'm
4 hearing about some of those now from these MPOs, but we
5 need the pressure from ARB to make sure that happens. We
6 need to capture these sustained economic benefits in these
7 communities. And I -- I quote -- I really want to
8 emphasize the word "sustained".

9 So this can't be just a push coming in, but it
10 has to be long-term gain for that community. And that
11 game is going to translate more in terms of jobs. And by
12 the way, it was mentioned earlier, a distribution center
13 warehouse job is a leg up, but it's not a career. Okay.
14 So we really want to have opportunities for these
15 communities to participate in careers in their lives, and
16 get some fulfillment from their work other than just a
17 paycheck.

18 So we think that there is a pathway to that by
19 helping. When you invest in these communities and these
20 projects, we see them trained, they learn new skills, and
21 they get access to that better way of life, and improving
22 their own situation.

23 Coordination of State and local agencies I kind
24 of touched on that in earlier comments, so I won't go
25 further into it now. But again, there's 13 agencies, and

1 this interagency collaboration is critical to the success
2 here. I heard discussion about needing money for housing,
3 needing money for roads. Well, you know, there's
4 departments that have that money.

5 And so all these plans need to be coordinated
6 together and the cities are really pretty good overall at
7 connecting the dots there, but they're going to have to be
8 really good at that to make this successful. It's going
9 to take all this money coming together. Redevelopment
10 money was a nice thing when we had it, but we don't
11 anymore, so we move on and we figure out new strategies
12 and new ways to do this.

13 And we want accountability at the community
14 level. So we talked about -- somebody mentioned earlier
15 benchmarks, setting benchmarks and measuring against them.
16 We don't do a lot of that. And we need to really hold
17 ourselves, all of us, accountable to that. And, of
18 course, we support robust community participation.

19 Sorry, Chair Nichols, I'm losing my voice along
20 with you here. So that could be a win.

21 (Laughter.)

22 EJAC MEMBER HAMILTON: Next slide, please.

23 --o0o--

24 EJAC MEMBER HAMILTON: So we still find regions
25 that are funding roads before transit, so we need to see

1 that stop. A new freeway is not a GHG reduction, so --
2 and we're still seeing that come into plans. We still see
3 again the priorities are, and we see plans coming forward
4 - I certainly do from my region - where we don't have the
5 benefit of SCAG or a large interwoven metropolitan
6 planning organization, but yet eight individual ones.
7 That's so much fun, you know, where we just don't see this
8 kind of investment happening in those communities.

9 It's more how can we do what we've been wanting
10 to do for 30 years with this huge list of transportation
11 programs, projecting out 10, 15 years ahead, and how can
12 we keep those and still do this.

13 So we need direction and guidance from Air
14 Resources Board to suggest that this isn't the way to get
15 funding at least from us through the programs that we
16 control. And if you want to access that, you're going to
17 have to change the way you think, and modify those
18 programs.

19 And again, the idea of land-use planning and
20 making good land-use planning fit with transportation,
21 quite often, the transportation people are as much victims
22 of poor land-use planning as the Air Resources Board is,
23 because that's controlled by local cities and local
24 counties. And it was good to hear that some of our
25 supervisors have been really proactive in their land-use

1 planning approaches.

2 Unfortunately, we don't always see that in
3 cities, and some counties, and we really need to see that
4 done better. And again, there is no strategy for
5 addressing the needs of unincorporated communities.
6 They -- they're kind of left as island to themselves, and
7 have to figure out how to deal with this situation without
8 the benefit of elected representation through their board
9 of supervisors.

10 And in counties with large numbers of rural
11 cities that are stretched across a lot of geography, like
12 the San Joaquin Valley, we find that they are often left
13 behind.

14 Next slide, please.

15 --o0o--

16 EJAC MEMBER HAMILTON: So I'm not going to go
17 down through all these, but these are our recommendations,
18 and we really support the idea of reducing VMT. We want,
19 again going back to the idea of infrastructure, needing to
20 include complete streets. I heard that mentioned by one
21 of the MPOs. I need to hear it from all of them.

22 Complete Streets are critical for these
23 communities. We have so many communities where you drive
24 down a street, sidewalk ends, street light ends, houses
25 continue, kids continue to have to walk to school.

1 Communities don't feel connected. They don't
2 feel like they belong. They don't feel it's safe to walk
3 around in their communities. Kids are still getting hit
4 by cars, because the cars -- the streets are not complete.
5 They're aren't adequate even cross walks.

6 I drive through communities in Sacramento, in
7 Fresno, and Los Angeles where I can drive for a quarter of
8 a mile in places and not find a crosswalk, but there's
9 residences all along the way. That's just setting targets
10 on people. How can you expect somebody to walk a quarter
11 of a mile with three kids to cross the street to the
12 corner -- to the store that's right here?

13 It's not going to happen. They're going to take
14 that run and bad things are going to happen. So there are
15 things that can be done to increase the walkability of
16 communities with the existing resources and a little
17 paint.

18 So let's just not always think that we have to
19 spend an incredible amount of money to solve some of these
20 problems. We can readdress some of the issues that
21 we've -- that we have. Some of the resources that we have
22 and not spend nearly as much money.

23 Again, you know, EJAC keeps coming back to the
24 idea of freeways not being GSF.

25 And if I could have the next slide, please.

1 --o0o--

2 EJAC MEMBER HAMILTON: So I think this is -- is
3 this the last slide?

4 No. Dam.

5 So we need to see the SCS compliance with these
6 greenhouse gas targets, based on documented -- you know,
7 some of these are fairy tales. And it was mentioned
8 before, I think somebody said that, that, you know, the
9 alternate plan. And we see alternate planning being
10 inserted into these. And those are fairy tale plans. We
11 know that's not going to happen. Again, it's that idea of
12 status quo. How much of this can we do and still follow
13 the plan that we've had and been following? Our
14 transportation plans are laid out years in advance,
15 because they cost so much money, so we have to anticipate
16 it coming down the road. And literally that was an
17 unintentional pun.

18 And the MPOs must only be allowed to authorize
19 implementation of projects that are included in the most
20 recent SCSs. So again, it's that idea of constantly
21 looking backward instead of forward, and that we need
22 these transit agencies to adhere to the projected routes
23 and costs adopted in the SCS, unless something alt -- the
24 alternative is actually demonstrated to increase emission
25 reductions while maintaining and improving access to

1 alternative transportation choices.

2 ATPs, active transportation plans are just
3 catching on. We're seeing cities begin to adopt them.
4 And I'm really excited about that. We need to push more
5 of that.

6 So -- and then we need to -- again, we talked
7 about, and I heard somebody say prioritizing investments
8 in disadvantaged communities. We want to raise all
9 communities, but we want to see the communities that have
10 never been raised at least get equal with the other ones
11 first, and then we'll raise all communities.

12 So they're so far behind. I mean, some of these
13 communities are 30, 40, 50 years behind in their
14 infrastructure. How do we expect them to step into this
15 new generation of zero emission and low GH gas -- GHG gas
16 production, when, you know, if we put an electric car in
17 their driveway, they won't be able to run their oven,
18 because as soon as they plug the car in, the circuit
19 breakers go off in the house, okay?

20 So we need to really be thinking realistically
21 about infrastructure. And again, the interagency
22 cooperation between CEC and ARB and everybody else, so
23 that these investments are crossing over and this planning
24 is working together.

25 And, you know, aligning that scoping plan with

1 the California transportation plan for 2040. Ours is
2 2050, theirs is 2040. It would be great to align that,
3 you know, so they're working together and moving forward
4 in lock step, because I'm not really feeling that right
5 now.

6 Next slide.

7 --o0o--

8 EJAC MEMBER HAMILTON: So last slide. We would
9 suggest again you set these ambitious targets to help
10 reach our goals in 2030 and 2050. It is not unreasonable
11 for a State like ours to be thinking about 2050. I
12 guarantee you the business you're talking about think that
13 way. That's how they survive. These goals need to align
14 with these VMT reduction targets and be done in
15 collaboration with the Department of Transportation, and I
16 would add the Department of Energy, sort of the triad on
17 which this State runs.

18 And those three things should always be working
19 in concert with each other. I would recommend that you
20 have members interchangeably, at least a member from that
21 board -- each of those boards on your board, and a member
22 from your board on each of their boards. That would make
23 a lot of sense. Well, maybe.

24 So -- and stringent practices for verifying SCSs.
25 Who's going back and checking, right? Again,

1 accountability, benchmarks. And we need to prioritize the
2 investments in the MPOs that put transit and active
3 transportation first.

4 Thank you very much.

5 CHAIR NICHOLS: Okay. I think that completes the
6 presentations. Let's now move to the public testimony.

7 I have a list of ten witnesses who wish to speak.
8 Why don't you come on down and start with Harvey Eder,
9 Bonny Holmes, Jim Stewart, David Harris, Bill Magavern.

10 We may have lost a few along the way.

11 I don't see Mr. Eder. Is he here?

12 He was earlier. There he comes. Okay.

13 This is a gentleman who has stamina.

14 MR. EDER: Evening.

15 CHAIR NICHOLS: Evening.

16 MR. EDER: I'm Harvey Eder speaking for myself,
17 and for the Public Solar Power Coalition.

18 This bill being passed, 375, and being worked on
19 is a good thing. It must be and should be coordinated
20 with immediate total solar conversion plans. This could
21 work with what's happening now, but also with input from
22 the Strategic Growth Council and the Office of Planning
23 and research.

24 And to encourage -- the plans -- the climate
25 plans have to be rewritten because the new numbers are

1 from 750 to 800 parts per million CO2 equivalent. So
2 these numbers have to be brought up to do this -- to
3 convert to solar as soon as possible. The price of solar
4 has gone way down. They're saying a dollar a watt. I
5 know for a fact, they're putting in systems for a \$1.60
6 and less, the co-ops. I was in a meeting at co-ops.

7 And the financing is here for the district and
8 for the State. The solar industry started in Southern
9 California 100 years ago. And in the City of Pasadena in
10 1910, looking at their building permits, 30 percent had
11 solar hot water on them. And the gas company gave away
12 free heaters, gas heaters and hooked up, and wiped out the
13 industry, but we're back now, and things are looking very
14 good in terms of lifecycle cost effectiveness for solar.

15 In the February issue of solar industry that
16 we're looking at two to three cents a kilowatt hour by
17 2030.

18 CHAIR NICHOLS: Okay. Your time is up.

19 MR. EDER: Yeah, I got that.

20 Maybe our time is up.

21 CHAIR NICHOLS: We're listening and we're also
22 reading, if anybody wants to give us anything.

23 Yes.

24 MS. HOLMES-GEN: Hello. Bonnie Holmes-Gen with
25 the American Lung Association in California. You've had a

1 lot of information thrown at you very late in the day.
2 I'm going to try to give you a clear simple summary of my
3 key points.

4 VMT reduction and sustainable community planning
5 strategies are extremely important from a public health
6 and air quality GHG perspective. And this issue needs a
7 lot a more time and focus from your Board on how we're
8 going to align State and local efforts and make progress.

9 These strategies are critical to completing the
10 scoping plan, completing the GHG reduction strategy that
11 we -- that we're building right now for our State. And
12 although we might like to think we can, we cannot achieve
13 all our GHG and air quality benefits through technology
14 advancement. We can't do it all with technology
15 advancement, even if we -- and even if we step up the work
16 we're doing at the regions on Sustainability Community
17 Strategies, and even if we achieve the 20 percent goal
18 that was discussed with the regional targets, we still
19 wouldn't achieve all the VMT reduction that's needed to
20 get to our 2030 and 2050 targets. So we have a gap here.

21 And we would be missing out on tremendous health
22 and other benefits. I just wanted to point out in your --
23 in the scoping -- in the draft scoping plan on page 100 it
24 talks again about how transport-related physical activity
25 can achieve historic reductions in chronic illness. And I

1 know that you're fleshing out some of this information and
2 some of the health analyses that are being developed.

3 This is so important to understand these
4 tremendous health benefits that we can achieve. We agree
5 there's been tremendous efforts by the regions. I can't
6 go into detail on that because of time. We been involved
7 in those efforts at the local level and the State level,
8 but we have a lot more to do.

9 So where does this lead us? We need a viable
10 strategy to get the VMT reduction.

11 CHAIR NICHOLS: Two minutes.

12 MS. HOLMES-GEN: We need you to ask solid
13 questions about how we're going to align our
14 transportation funding at the State level to get those
15 reductions among many other efforts I would love to
16 discuss with you.

17 CHAIR NICHOLS: Very good questions.

18 MR. STEWART: Hi. I'm Jim Stewart actually
19 speaking as an individual. And the -- I'm really
20 representing Mike Bullock who is a transportation expert
21 and systems engineer. And I really -- I just passed out
22 and I have some slides here that he actually provided to
23 you several of the papers that he's written. And I hope
24 that Dr. Sperling will take a look at those comments by --
25 because obviously, the next slide is we've already covered

1 it that you can't spend another dime in this State on
2 additional freeways. And then the next slide is there's
3 lots of projects that we've just gone over. And the MPOs
4 are doing all of them, except the second one from the
5 bottom there, end free car parking.

6 And the next slide actually he's presented an
7 analysis of this before the American Public Works or
8 something association meeting. And the point is that
9 pricing parking produces much higher reductions in trips.
10 And Dr. Sperling knows that and Dan Schoop knows that.
11 And it's time, I believe, for the Air Resources Board to
12 put a little money into this. And I hope that Dr.
13 Sperling will support this, because I think it's deserving
14 of a look.

15 So thank you very much.

16 MR. HARRIS: Good evening, members of the CARB
17 Board. I'm a volunteer with San Diego 350. My name is
18 David Harris. The goal of San Diego 350 is to mobilize
19 citizens and work together to prevent the worst impacts of
20 climate change.

21 I'll just say in one sentence we strongly support
22 stronger targets as outlined in the staff report to keep
23 the MPOs on track.

24 Thank you.

25 (Applause.)

1 CHAIR NICHOLS: Well done. Very well done.

2 Luckily this is only an informational item, but
3 we got your point.

4 MR. MAGAVERN: Bill Magavern with the Coalition
5 for Clean Air. I want to first thank the Board for the
6 actions you took earlier that significantly strengthen the
7 Mobile Source Strategy. So that will help bring down
8 emissions from mobile sources. Now, we're focusing on one
9 of the very key ways that we reduce emissions from mobile
10 sources. And I urge you when you're setting the targets
11 to take into account the multiple benefits of reducing
12 vehicle miles traveled.

13 SB 375 is about reducing greenhouse gas
14 emissions, but we also can reduce local air pollution.
15 And there, of course, are a lot of benefits from active
16 transportation that should be taken into account.

17 Also since you earlier heard and endorsement of
18 SB 1 and AB 1, I want to point out that those bills are
19 part of the problem not part of the solution. That a lot
20 of that spending would actually increase VMT, increase
21 pollution. And there's not enough money in there for
22 transit. There's a punitive fee on electric vehicles,
23 which we're trying to encourage. And those bills
24 represent transportation planning, completely divorced
25 from air quality and climate planning. So that's a

1 paradigm we should have left a long time ago.

2 And finally, I want to point out that we need to
3 encourage transit oriented residential development. We do
4 not want to encourage freeway-adjacent residential
5 development, because living near a freeway is hazardous to
6 the health of human beings. So I think that ARB should
7 provide guidance to the MPOs and to the Strategic Growth
8 Council on how we prevent focusing more residential
9 development near freeways.

10 Thank you.

11 MS. GALE: Good evening, Board members. I'm
12 going to quickly read testimony from my friends at
13 Leadership Counsel for Justice and Accountability. They
14 are an organization working with, and on behalf of,
15 disadvantaged communities in the San Joaquin and East
16 Coachella Valleys.

17 Leadership -- I apologize from reading from my
18 phone for this.

19 "Leadership Counsel would like to emphasize
20 the need for ARB to set ambitious targets in
21 order to push regions to think differently about
22 land use and transportation planning and reach
23 our climate goals. This would encourage MPOs to
24 model scenarios that include robust investment in
25 active transportation, affordable housing, and

1 relocation of growth to existing communities and
2 cities, rather than new developments or sprawl.

3 "ARB must work with MPOs to ensure
4 transparency in modeling assumptions and scenario
5 development. We believe that stronger more
6 ambitious targets will promote stronger programs
7 that create real transit options and choices,
8 especially for folks living in rural
9 disadvantaged communities.

10 "Since ARB is responsible for the
11 implementation of SB 32, it is important that we
12 move towards a trajectory that plans for and
13 prioritizes existing communities. Land-use
14 planning in the San Joaquin Valley has generally
15 focused on new development and sprawl. And
16 transportation has generally focused on highway
17 expansion rather than active transportation. So
18 this has created the necessity for folks to drive
19 to access basic services daily".

20 That's true.

21 "It is important that local plans and SCSs
22 are aligned and that regions are held accountable
23 for implementing the programs included in these
24 plans. And that projects that reduce VMTs are
25 prioritized. SB 375 in this target setting

1 process provides an opportunity to shift the way
2 projects are prioritized in order for
3 disadvantaged communities to see real
4 on-the-ground co-benefits.

5 "ARB has a critical role to play in this
6 shift, and we believe the setting of strong
7 ambitious targets is a key part of this role".

8 Thank you.

9 MR. PAWLING: Good evening, Board. Thank you for
10 still taking comments at this time. My name is Kristen
11 Pawling. I'm with the Natural Resources Defense Council.
12 And most of my comments have already been said, so I will
13 be brief and just mention one tool that the State has
14 already taken action on.

15 The legislature passed SB 743 in 2013. It's 2017
16 and we haven't quite implement that yet. So going back to
17 the point of stronger State coordination, I really
18 appreciate that the Office of Planning Research is here,
19 and working with your staff, but there's other key staff
20 and other State agencies that need to be here to fully
21 realize the ambitiousness and achievability of our
22 targets -- and our targets as we continue to move forward.

23 So strongly encourage additional coordination and
24 swift implementation of SB 743.

25 Thank you.

1 MS. LINDBLAD: Good evening. I'm Bryn Lindblad
2 with Climate Resolve.

3 I just want to raise some concerns that are maybe
4 arising how the scoping plan process is playing out. I
5 see it as a critical process to map out how we're going to
6 achieve our VMT reductions. And this round it's unveiled
7 that we're going to need additional State strategies
8 beyond what MPOs can account for in local and regional
9 efforts, but -- and I think that's great that the State is
10 taking on additional strategies, and encourage --
11 encourage continuation down that path.

12 But it sure -- but I don't know what's -- what's
13 stopping us from counting those VMT reductions twice.
14 We're seeing it in the MPO's presentations today that
15 pricing is a critical component of how they're achieving
16 VMT reduction, but we're also hearing it from ARB staff
17 that it's part of their additional VMT reduction
18 strategies.

19 And so just not sure that we're doing the
20 counting that adds up to the -- that achieving the full
21 VMT reductions that we need to meet our State climate
22 targets.

23 Encourage ARB Board -- or ARB to help -- to try
24 to build more accountability into our scoping plan
25 process, and SB 375 targets, and not let the waters get

1 muddied.

2 Thank you.

3 MR. SADLER: Good evening. I'm Bill Sadler. I'm
4 here on behalf of the Safe Routes to School National
5 Partnership. And I wanted to first just support the MPOs
6 in recognizing active transportation as a key strategy in
7 reaching the targets and the scoping plan as well. You
8 know, my organization really carries -- is focused on safe
9 walking and biking for children in their daily lives, but
10 also in their communities.

11 And, you know, this is a bigger issue than just
12 walking and biking to school. This is really about you
13 know, reducing VMTs. This is about improving air quality,
14 improving public health as well. And so we're happy to
15 see that active transportation is playing a big part
16 overall in both the targets and the scoping plan.

17 But I did just want to touch on the funding. And
18 many of my comments have already been said, that I think
19 we're still not seeing a lot of the funding for active
20 transportation being aligned with our State goals. We're
21 seeing State legislation right now that -- for AB 1 and SB
22 1 that while it has some active transportation funding,
23 it's millions in a multi-billion dollar package. And yet,
24 we're relying on this to, you know, be reaching our
25 targets.

1 So, you know, I'd just encourage you to think
2 more about that. And, you know, me and my colleagues here
3 today, you know, really would like to request a special
4 round table where we could talk about funding alignment
5 with the scoping plan and the targets, and how that is
6 front and center in SB 375 and the scoping plan, so that
7 we can just have more time than at the end of a really
8 long day to talk about this really important issue.

9 Thank you.

10 MS. FLETCHER: Last.

11 (Laughter.)

12 MS. FLETCHER: You guys all heard that.

13 Okay. So My name is Channell Fletcher. I am the
14 associate director of Climate Plan. And as I side, I am
15 the last one that you guys have to hear from today.

16 All right. So I will keep my comments brief,
17 because you guys are probably all exhausted. I think one
18 thing that I wanted to say is that you've heard a lot
19 about ambitious targets. Obviously, as Climate Plan, we
20 are in full support of that as well.

21 I think one of the things that I did want to say
22 and I think push, I think, both the Board and the staff to
23 think about is critically assessing what the MPOs have
24 presented in front of you today.

25 We just say this kind of today with you guys as

1 well. Some of my thoughts, I think, just initially was
2 how ambitious are these really? I don't know. I haven't
3 looked at it. But I was wondering like what's the ratio
4 of infill to sprawl development? How are the current
5 transportation funds being prioritized? What's happening
6 with the discretionary transportation funds that MPOs do
7 have control over? Where is that going? What is it being
8 invested in? How are we, I think, addressing the role of
9 induced demand?

10 I think particularly as we're building new
11 highways, like the high desert corridor in Southern
12 California? And I think we've heard a lot about no new
13 highways, and yet that's being built I think right here.
14 And so I think that that's something that's going to
15 impact achieving our targets. And if we're not addressing
16 induced demand, if we're not thinking about Implementation
17 743, we're not going to meet, I think, our, you know, SB
18 32 climate goals.

19 So I think for the draft targets what I'd really
20 encourage the Board and the ARB staff to do is to really
21 work with the MPOs to develop scenarios that I think
22 really shift the flexible funds that they do have control
23 over. And I think for maybe the SCAG region, that's
24 actually the CTCs.

25 And then, in addition, I think outlining what

1 exactly is the need from the State? Like how much are we
2 talking about? And then we talk about, I think, SB 1, AB
3 1, what other mechanisms are out there. And I'm looking
4 at you Assembly Member Garcia, because you are in the
5 legislature, so you have a role in that directly.

6 I think the other piece is really thinking about
7 743 how that plays a role in these targets, thinking about
8 induce demand, because those things, if we're prioritizing
9 funds, for highways and roads expansions first, we really
10 aren't going to meet our climate goals.

11 The end.

12 CHAIR NICHOLS: Well done. And that concludes
13 the public testimony on this item.

14 I don't need to chose the record, because this
15 was an informational item, but I do think it's a good
16 opportunity for Board members who would like to make a
17 comment on where we are or where we're headed to have some
18 input.

19 So, Dr. Sperling, since you've been referred to
20 several times as the source of funding --

21 (Laughter.)

22 CHAIR NICHOLS: -- for initiatives, why don't we
23 start with you.

24 BOARD MEMBER SPERLING: And brilliant and
25 brilliant ideas.

1 (Laughter.)

2 BOARD MEMBER SPERLING: All right. So I'm going
3 to try to synthesize everything here.

4 CHAIR NICHOLS: Oh, good.

5 BOARD MEMBER SPERLING: All right. So let me
6 start off by saying we have the most resource intensive
7 and expensive transportation system imaginable in the U.S.
8 You know, think about that for a moment.

9 Now, I commend progress. We've heard from MPOs,
10 from Louise Bedsworth from OPR about progress and breaking
11 down silos. But at the same time, we've learned VMT is
12 increasing, and transit use is flat or decreasing. This
13 is going in the wrong direction. Something important has
14 to change. We're not on the path to achieving the goals
15 that -- of SB 375.

16 So I'd say -- so I have three kind of overarching
17 strategies we should think about, but then I have two
18 proposals I'm going to make. So the three overarching
19 strategies that we need if we're really going to get major
20 change is, one, we need more choice. We need more choice
21 because people are not going to give up their cars until
22 they have a larger suite of choices. No one alternative,
23 not transit, not Uber is going to be enough to get more
24 than a few people to give up their car.

25 And if we have more choice, it will become much

1 easier to do all these financing ideas that we've -- all
2 these pricing ideas. We can't do pricing as it is now,
3 because people think of it as just punishment, and their,
4 you know, mostly right in thinking that. So that's number
5 one.

6 Number two is we need better land-use development
7 that we heard about a lot.

8 And number three, we need money, but we need
9 money in a way that rewards the cities and the counties
10 who are being most effective at reducing VMT. Right now,
11 the -- as a couple people mentioned, our transportation
12 money mostly goes to rewarding those that have more VMT.
13 We've got to change that.

14 So I've got two -- so I think I've boiled down
15 most of what I heard today. So I think there's two really
16 important things, if we're going to have a change. One is
17 innovation and the other is money.

18 So innovation. The biggest idea out there, the
19 biggest opportunity is shared mobility, not UberX, but
20 we're talking about uberPool Lyft Line, Micro Transit.
21 Using all of this information technology, all of these
22 capabilities that we're developing, but using them to
23 expand the choice, and to increase load factors. And
24 doing it in a way also that will help transit, because
25 right now transit has gotten so expensive and it serves so

1 few people. We need transit to do what it does best,
2 serve key corridors, dense areas, and use these other
3 services to partner with it.

4 And that way, we can expand access, and we can --
5 we can reduce cost, and therefore expand access. So from
6 an environmental justice, social equity perspective, this
7 is probably the best idea out there that we have.

8 So -- and this does need -- this is big changes.
9 This is not going to happen easily. We need a lot of
10 local governments involved. We need the regional. We
11 need the State.

12 So I'm not asking anyone to do anything on this,
13 because I'm -- I've kind of taken on the responsibility of
14 trying to move this forward. So I am heading up an
15 initiative, and the MPOs have been involved with it, ARB
16 is a little involved with it, to focus on what are the
17 policies, what are the levers to create these choice and
18 improve these services that can improve load factor?

19 So I'm just going to ask everyone to kind of work
20 with me, and, you know, build that coalition and figure
21 out what some of those ideas are

22 But here's the other idea, the money one. And
23 several people mentioned this. So here's I think a step
24 forward. I think what we should do is hold a roundtable
25 modeled after what we did with the environmental justice

1 community, the EJAC Committee. And this is a first step,
2 but it's an important one. Get our -- the ARB Board
3 members, get the California Transportation Commission, get
4 Caltrans, get some of the MPOs and others involved in it,
5 and in a discussion to figure out how do we redirect
6 money, transportation money, especially, you know, to
7 those cities and counties and MPOs that really are
8 committed to reducing VMT and are adopting programs,
9 policy. Reward them. And we're not doing that now as
10 basically we heard from all the MPOs.

11 And so I think that's -- that's -- I think -- so
12 that's a first step, but I think that's a step that would
13 really help move us forward. And I've talked to the MP --
14 you know, a number of the MPO leaders and the ARB staff
15 and the NGOs, and actually a couple people already
16 mentioned it, because I've been talking about it.

17 So I think there's a lot enthusiasm for it. And
18 probably one of the ideas to be talking about there, how
19 do we make these SB 375 plans and efforts more compatible
20 in conformity with the transportation funding, in
21 conformity with local general plans?

22 And, you know, ARB has really got to grab this, I
23 think, you know, we've kind of been -- you know, we don't
24 have the authority, so we kind of haven't taken the bull
25 by the horns. So that's my modest suggestion.

1 CHAIR NICHOLS: Thank you.

2 Next, we'll hear from Supervisor Roberts.

3 BOARD MEMBER ROBERTS: Thank you, Madam
4 Chairwoman.

5 CHAIR NICHOLS: Everybody who wants to speak and
6 get into the queue needs to really press hard on that
7 request to speak thing or your name does not pop up, just
8 so you know.

9 BOARD MEMBER ROBERTS: I'm amazed it works.

10 CHAIR NICHOLS: But YOU did. You did. You're
11 in.

12 BOARD MEMBER ROBERTS: Yeah, I did. I had no
13 idea if I would be successful but --

14 (Laughter.)

15 BOARD MEMBER ROBERTS: First of all, I think, you
16 know, if there were a theme today, I think Mr. Sperling --
17 Professor Sperling has seized it. From the very start of
18 the day today, we've been talking about every solution is
19 based on money. Think about it.

20 Go back to all the discussions we've had all day
21 long. I've heard that term come up again, and again, and
22 again. So if we leave here and we don't understand that,
23 we've wasted a day.

24 I guess I'm more optimistic. I don't think the
25 decline in the transit -- public transit ridership, I

1 think, it's a little dip, but that's like a couple year
2 decline. It's not a -- this isn't a long trend. And I
3 think we're projecting too much into that.

4 And I'm hopeful that that's the case. And we're
5 doing everything possible to ensure that's not. But we're
6 seeing a lot of things going on. It was mentioned in San
7 Diego we did a major down-zoning. You know, if you try do
8 one property just down-zoning you just don't know how much
9 agony you go through to do tens of thousands of different
10 lots in a down zoning. I tell you, you get very little
11 positive emails, very few, and you check your car before
12 you start it up every day, too.

13 (Laughter.)

14 BOARD MEMBER ROBERTS: So we've been through
15 that. And would we're seeing now though, even in our
16 urban areas, we're seeing a push back. You know, we're
17 not seeing everybody greet us when we say we want to
18 increase the density. In fact, on a new light rail line,
19 while we're trying to do increased density at the stops,
20 we're seeing a considerable amount of push-back.

21 People don't like change. Okay. And we've
22 talked about a lot of ideas that are all changed. If we
23 don't have the funding -- significant changes in the
24 funding, none of this is going to happen. We've heard
25 about the planning that's dependent on funding. All of

1 this is dependent on funding. And yet, we've -- you know,
2 we're doing things without looking at what really pays
3 off. Where is the money best spent. We have performance
4 criteria for one project for another over another, maybe
5 in infrastructure.

6 But we need to compare different types of
7 solutions to see what it gets us, whether they're active
8 or passive or whatever, we ought to have some metrics that
9 show us where do we get the most bang for the buck, since
10 the bucks are weighs in short supply here.

11 I don't know what your round table looks like,
12 but I'd certainly want to join to see if we can advance
13 some of these ideas. But we're not going to make any of
14 these goals without a significant difference. And you're
15 not going to get there by creating disincentives.

16 You've got to create incentives. The
17 disincentives may look good on paper, but unless you
18 change the form of government where the public doesn't
19 have a say, those don't -- are not going to get you too
20 far, and you're going to see a rebellion that's going to
21 make a lot of elected officials very uncomfortable.

22 So I would like to see how we can create positive
23 incentives. You know, if we had more money for public
24 transit, I guarantee there's probably not a region around
25 that couldn't do a better job with it. And I think some

1 of the changes -- it's hard to predict what these are
2 going to be that are coming in the new technologies, but
3 the vehicle mile traveled number I think has been one of
4 our -- if you look back historically, it's been one of the
5 poorest metrics that we have on performance on anything.

6 And I think with the new technologies coming, I
7 think that will continue to be the case. I wouldn't hang
8 my hat on vehicle miles traveled. I would rather look at
9 how do we increase clean vehicle miles traveled, how do we
10 do the things that we need to do? How do we get people in
11 communal commutes?

12 You know, we're looking at how -- what's the
13 future of transit going to look like? It's probably not
14 going to be big buses. It may be vans. It may be smaller
15 types of commutes as you were discussing Professor
16 Sterling -- Sperling. And I -- you know, I think there's
17 a lot of unknowns when we try to project where we're going
18 to be in 2035. But the one thing you know, it's going to
19 cost a lot more money to get the things that we're going
20 to need to make that to be a positive outcome.

21 So I'm sure we can all vote in favor of a lot of
22 -- a lot more money today, but this is just an
23 informational item, so I appreciate the MPOs that are
24 here, and they're -- they're all struggling with similar
25 issues, maybe slightly different, and some are in a

1 slightly different position than others. I know we're
2 very envious of the fact that L.A. can pass all these
3 ballots issues and get all this money, but they've got big
4 needs too, and they're still going to need help in spite
5 of all of that.

6 So thank you all for participating here today.
7 And we'll find out where to get all this money here
8 shortly. Come back next month, we'll have it figured out.

9 (Laughter.)

10 CHAIR NICHOLS: Great.

11 Okay. Supervisor Serna.

12 BOARD MEMBER SERNA: Great. Thank you, Chair
13 Nichols.

14 So first of all, I have two general comments.
15 The first I'd like to respond to Dr. Sperling's suggestion
16 I think it's the -- the right one in terms of a convening
17 or roundtable to understand especially from the
18 perspective local government what is in our -- what is in
19 more of our control in terms of enhancing the respect from
20 a planning perspective between plan -- between
21 transportation and land use, the things again that are in
22 the control of cities and counties.

23 I would add to, or at least put it out there for
24 consideration, that perhaps as part of a roundtable
25 discussion we might want to think about inviting the

1 development community to the table. Because I think as
2 much as local government may want to believe in it's heart
3 of hearts that simply by way of, you know -- you know
4 redoing our general plans or thinking differently about
5 how you plan in general to accommodate more infill
6 development, I think it's always wise to have the actual
7 practitioners engaged that are actually investing their
8 capital to promote development and understand really what
9 it takes to encourage more investment in infill to begin
10 with versus suburban development.

11 And I know in Sacramento we actually have in our
12 local building industry association an infill council. So
13 there are existing channels to tap where I think that
14 wouldn't necessarily be that difficult to do if we thought
15 that was a positive adjunct to some of the other elements
16 that have been proposed for a roundtable.

17 And then the second thing I'd like to mention is
18 there's a chart that staff produced. It was the one that
19 Amy was having some difficulty with the animation. But it
20 had the -- it showed VMT going in the wrong direction,
21 going back up in the years 2013 through '15. And the
22 explanation I was given in my briefing, and certainly it
23 was made mention of here today was most -- that had most
24 to do with gas prices.

25 So I'm -- I'd be curious to know if it's -- first

1 of all, are we going to be looking at moving forward price
2 sensitivity at all between fuel prices and what we think
3 might lessen the strain on MPOs to meet new aggressive
4 targets, and if not, why not? And if it's -- if we all
5 agree that that's something that we want to kind of keep
6 an eye on, if there's a way to maybe establish a dashboard
7 with that, so that we can understand moving forward when
8 that strain might ebb and wane with regards to the
9 responsibilities of MPOs, I think that's something I'd
10 like to understand a little bit better.

11 I know that there are other factors, including
12 the advent of all these other technologies, and Uber and
13 whatnot. But that to me, at least the way it's been
14 explained to me by our staff thus far, it really has been
15 fuel prices mostly that have affected the number of
16 vehicle miles traveled per capita going in different
17 directions. So that's something I'd like for us to
18 explore further.

19 Thank you.

20 CHAIR NICHOLS: Does staff want to respond to
21 that comment and about tracking pricing?

22 DEPUTY EXECUTIVE OFFICER KAPEROS: So the
23 rebound effect, as it was called by the MPO directors when
24 they spoke, is very much something that we are now doing a
25 deeper dive with the MPOs in their models. We have our

1 own modeling system that we use to look at that. We're
2 all coming up with somewhat different numbers. And so we
3 are -- so it is an important opportunity an important
4 thing that we needed to get further into.

5 The sensitivity analysis, the stress test that
6 the MPOs have already done certainly have illuminated that
7 it's the biggest sort of knob, the biggest sort of dial
8 that we have, the cost of driving, to impact VMT. What
9 will be particularly interesting is to see how that then
10 marries up with the innovation technologies, the shared
11 economy that we're seeing, and those things -- how those
12 things cross over in the 10-, 15-year period in front of
13 us in the 2035 time frame.

14 So, yes, very much something that we need to be
15 looking at.

16 CHAIR NICHOLS: Okay. Dr. Balmes.

17 BOARD MEMBER BALMES: Thank you, Chair Nichols.

18 I'll try to be brief given the hour. And I
19 thought I was going to be pushing the workshop/roundtable,
20 but I don't have to do that. I'll just agree with my
21 previous Board members. I think that would be an
22 important thing to do. I guess the big picture item that
23 I'd like to emphasize is that I think that the AB 1, SB 1
24 bills that are moving forward in the legislature -- and
25 I'm glad that Assemblyman Garcia is next to me to hear

1 this -- I think they need to be aligned with our statewide
2 climate goals. I think it's like they're two separate
3 paths now.

4 And I agree with my previous Board members who
5 spoke both Professor Sperling and Supervisor Roberts that
6 it's all about the money. And most of the money, as I
7 understand AB 1, SB 1 is going to go to road maintenance
8 and highways. And as one of our witnesses testified, you
9 know, that's not the way to deal with our climate change
10 goals.

11 You know, I drive on pothole, you know, ridden
12 roads and would like to see them fixed. We need to fix
13 our infrastructure. I'm not saying that we shouldn't, but
14 we also need to align how we spend those monies with our
15 climate change goals. So that's part of the reason I'm
16 supporting the roundtable that is being suggested.

17 I think that, and maybe I'm being naive her, and
18 maybe Assemblyman Garcia will tell me that I am being
19 naive, but it seems to me the legislature thinks that our
20 climate change goals can be funded by the greenhouse gas
21 revenue fund.

22 But I don't think that there's enough money there
23 to provide the kinds of positive incentives, the transit
24 money, that Supervisor Roberts and Professor Sperling are
25 calling for. I mean, I think some of the money should

1 come from SB 1, AB 1. You know, we need to have more
2 money for public transit and active commuting, if we're
3 going to try to meet our climate change goals.

4 So -- oh, and I also wanted to say, and in full
5 transparency I just bought a Volt, but you know, I think
6 that EV drivers need to be paying their fair share for
7 road use, but I don't think there should be a punitive
8 fee, which I think is sort of the way it is in SB 1, AB 1
9 now. We, again, have to incentivize electric vehicles
10 not, you know, punish people for using -- for buying them.

11 So I think that's all I need to say at this
12 point, but I really do feel like we have to align climate
13 change goals with, you know, our transportation
14 infrastructure needs. And I guess the final thing I would
15 say is I do really appreciate the MPO presentations today,
16 especially recognizing the need for more money from other
17 sources. They can't do it with the existing financial
18 structure, and the fact that there was a recognition that
19 low income communities could be impacted by, you know,
20 road pricing so I appreciate the MPO input today.

21 CHAIR NICHOLS: Okay. Ms. Mitchell.

22 BOARD MEMBER MITCHELL: Thank you, Madam Chair.

23 I think one thing that we can deduce from what
24 we've heard today is that this is really hard. And Dr.
25 Sperling's comment to establish some kind of roundtable I

1 think is a good way to start.

2 Also, what we've seen from the presentations from
3 the MPO's is that each of these regions is very different,
4 and one size probably isn't going to fit all. I'm
5 disturbed by, you know, the fact that's been stated here
6 that VMT is rising, and transit use is declining, because
7 that imposes a very difficult challenge, I think, because
8 we were going on the assumption that we could increase
9 transit, we would reduce VMT. And certainly gas prices
10 are one of the causes of that.

11 I think the other thing that we grapple with is
12 that land values do drive land use where -- and we saw
13 that today in early testimony. People are living in
14 inland areas, at least in Southern California, but they
15 may be driving two hours to get to work. And the whole
16 idea of SB 375 was to have people live near where they
17 work. That's hard to do because of land values. I
18 really -- I don't know the answer to that, but I think we
19 all need to sit down and think about it.

20 The other thing we have, and particularly
21 difficult in Southern California, although it's happening
22 in other places, is the homeless problem, the need for
23 housing. And is there an opportunity here with some of
24 the money that's going to be put forward to increase
25 housing to -- for the needy people to also work on the

1 transportation side of that.

2 There's a lot of work to be done here, and the
3 answers aren't easy. I think maybe the first step is sit
4 down with somebody as smart as Dr. Sperling with our MPOs
5 with developers. I think developers, as Supervisor Serna
6 mentioned, they need to be at the table with us. The
7 people that are working on increased housing for lower
8 income, they need to be at the table.

9 So I started out saying it's not easy, and
10 everything I've said tells us it's not easy, but we need
11 to work on it. So I think we need to work on it together.

12 CHAIR NICHOLS: I think I'm going to have the
13 last word here unless somebody else wants to sign up.

14 Yes, go ahead.

15 BOARD MEMBER TAKVORIAN: I couldn't believe I
16 can't push this.

17 CHAIR NICHOLS: Well, there's two of you that
18 want to speak apparently.

19 Go ahead.

20 CHAIR NICHOLS: You know, nothing is coming
21 through here.

22 All right. Diane, you -- just press the button.

23 (Laughter.)

24 BOARD MEMBER TAKVORIAN: This is just torture all
25 the way around. I'm so sorry.

1 So I just want to reiterate or endorse what
2 Professor Sperling has said in terms of a number of
3 things. I think in terms of choice, I know that we're
4 thinking about choice that is resting on accessibility and
5 equity. And those are critical things that I think are
6 important. And we also need to look at what choices are
7 not in existence for a number of our communities. So I
8 hope -- I'm all for the roundtable. I think it would be a
9 great idea, and I hope I get invited.

10 I think that we also need to start from the same
11 set of metrics. And so I want to recommend that ARB needs
12 to standardize the methodology for our regional greenhouse
13 gas reduction targets and require consistent baselines and
14 assumptions for modeling.

15 I really appreciated the MPO presentations today,
16 and I felt like everybody was talking from a different
17 play book. And while I don't think that's entirely true,
18 I think it's somewhat true. And while I don't think one
19 size fits all in terms of solutions, I do think we need to
20 look at what the problems are in a consistent way and
21 apply the strategies that we think do fit and have an
22 explanation about why some strategies don't fit in some
23 regions, and why there are other strategies that might be
24 better.

25 So I'd like to ask us to have more consistency in

1 regards to the baselines and the assumptions for modeling.
2 And I think as we heard in testimony induced demand has to
3 be a critical component that's in that, and I didn't hear
4 that across the Board.

5 I also appreciated the sensitivity to
6 displacement and to equity. And I'd like to see that be a
7 consistent theme throughout in all of the modeling,
8 because I don't think we're thinking about that across the
9 Board. And again, that goes to pricing for transit. And
10 as the economy suffers, we also have folks who can't get
11 on transit, because it's too expensive.

12 I think VMT does need to be prioritized as the
13 way to achieve the ambitious targets that we want. And so
14 while some of these other strategies are important, some
15 of the ones that we're proposing and pushing here at CARB
16 in terms of ZEVs and other kinds of car-charging
17 strategies, and Lyft and Uber, but we really are about
18 land use, and we're about reducing VMT here. So I think
19 we really need to make that happen.

20 I would also like to have us have a consistent
21 assessment of our -- the funding allocations. I'm sure we
22 do need more money, but let's look at where the money we
23 have now is going. How are we spending it? Are we
24 spending it in order to meet our climate goals? Are we
25 expanding freeways with it that aren't needed to be

1 expanded?

2 So I think we need to have that assessment across
3 the board. And I was heartened to hear in my briefing
4 that staff really wants to take a look at that. So those
5 are some of the things that I would suggest that we do.
6 And I also want to endorse Dr. Balmes thought about
7 aligning the -- our climate goals with our AB 1 and SB 1.
8 I think that's critically important, and we need to fix
9 our infrastructure. So I think both things really need to
10 happen.

11 Thanks.

12 CHAIR NICHOLS: Dr. Sherriffs, did you have your
13 -- No. Okay. In that case, Assembly Member Garcia.

14 ASSEMBLY MEMBER GARCIA: Thank you, Madam Chair.
15 This has been a very good discussion. And the first thing
16 I guess I will share with my colleagues in the Assembly is
17 that the folks on ARB aren't out of control --

18 (Laughter.)

19 ASSEMBLY MEMBER GARCIA: -- and way off line,
20 some other planet --

21 (Laughter.)

22 ASSEMBLY MEMBER GARCIA: -- trying to regulate
23 and align our climate change goals with reductions of
24 greenhouse gases and improving air quality throughout
25 California. So that's my first report to my colleagues.

1 But let me touch on a couple things. And I'm
2 going to associate my position with many of the comments
3 that have been mentioned related to economically
4 disadvantaged communities, the need to prioritizes our
5 efforts in those regions, because when you overlay maps in
6 those particular areas of not only the pollution, the
7 inability to access affordability of housing, or care in
8 the health care arena, transportation services, and the
9 list goes on and on, they all seem to cluster themselves
10 in the same geographic locations, which is why I think
11 that, you know, prioritizing our investments into those
12 areas are extremely important.

13 You begin to see the co-benefits of those
14 investments above and beyond the reductions of emissions
15 and improving air quality. But we have a huge challenge
16 when we're telling our local governments, for example, a
17 small community in Imperial County that has a budget of
18 maybe 10 or 11 million dollars annually to update their
19 general plan that's going to cost them a million or a
20 million and a half dollars to conform to these policies.

21 We have a huge problem there, right? That does
22 not become very feasible in order to put in the necessary
23 policies, the smart growth development policies that lead
24 us to the smart land-use development, the transit-oriented
25 type development, and ultimately the connectivity, the

1 safe routes to school, and the things that are going to
2 reduce the miles traveled, but also again reach the
3 objectives that we have.

4 So we have to be mindful of that and reconnect
5 with the point of investments in those regions are
6 extremely, extremely important, and valuable above and
7 beyond the goal.

8 The other thing is that I can assure you that the
9 conversation in the legislature is occurring as it relates
10 to SB 1 and AB 1, that they are not aligned with
11 California's climate change goals. And we have a conflict
12 here, because we also have \$70 billion of deferred
13 maintenance of road improvements in the State of
14 California, not to mention what the costs are at the local
15 and county levels, right?

16 But the conversation is happening in terms of we
17 need to begin to turn the corner to align our policies and
18 our investments not to promote, you know, legislation that
19 we're working on, but we're talking about transportation
20 equity. And I think that's what we're referring to when
21 we're beginning to turn the corner as it relates to
22 investing in transportation modes that are going to align
23 us with our climate change goals.

24 But that's not received very well. That's a
25 radical idea when you're talking about moving from

1 building bridges and roads to taking the turn and saying,
2 you know, the active transportation and other
3 transportation modes is a radical idea. And so there are
4 legislators that do believe that this should all come from
5 the GGRF funds, right?

6 And I'll tell you what, those are the same
7 legislators that don't support the climate change
8 policies, but actually have their handout saying, hey, how
9 come our communities aren't getting any, right?

10 And so there's kind of a dichotomy there that is
11 somewhat challenging for folks to understand. But I make
12 that connection, because I think we have a unique
13 opportunity through some of our legislative efforts. You
14 know, the Chairman of the Transportation Committee for
15 Assembly sits on the Joint Legislative Committee that came
16 about AB 197. And it's a great opportunity for us to have
17 this discussion in terms of so at what point do we start
18 turning the corner, and again aligning these efforts.

19 So I wanted just to share that it is a money
20 issue. And, you know, SB 1 and AB 1 have some hikes in
21 the gas tax and diesel tax that may, on its own, help us
22 with our, you know, miles traveled as this conversation
23 has kind of taken place.

24 But I think that it's important to note that
25 we're not aligned. We recognize that, and that we've got

1 some work to do, whether it be through these workgroups,
2 roundtable discussions, the joint legislative committees
3 that we have, but it also is going to really require us to
4 do a lot of education and information of some of my
5 colleagues as well.

6 And again, the first thing I will come back and
7 report to them is that the folks on ARB aren't -- you
8 know, these folks that are living on another planet, that
9 we're actually talking about the policies that we are
10 implementing in the legislature, and that we need to align
11 if we're going to reach these goals.

12 So I just wanted to commend the folks who are
13 here representing the local government agencies is that we
14 understand, as a former Mayor, you know, where you're
15 coming from, and that there are people in the State
16 legislature that want to align these efforts and make sure
17 that the resources are made available, limited or not.

18 And look, we can't overlook the fact that we have
19 these deferred maintenance issues on our roads. We had a
20 bridge fall apart on Interstate 10 last year, right,
21 because of the lack of maintenance. And so we can't
22 overlook that. Those are safety issues. Those are
23 economic issues for our region. But we also need to be
24 mindful that we need to begin turning a corner more
25 aggressively in aligning our policies, our transportation

1 policies with our climate change goals.

2 And I hope to be able to bring somebody value to
3 that conversation, as I mentioned in my earlier comments.

4 So thank you, Madam Chair, for allowing me to
5 speak.

6 CHAIR NICHOLS: Thank you very much. Mr. De La
7 Torre wants to be recognized to explain that he actually
8 does live on another planet.

9 (Laughter.)

10 BOARD MEMBER DE LA TORRE: Exactly. I mean,
11 we've made quite a bit of effort to talk to some of my
12 former colleagues and others. And I didn't all of a
13 sudden go crazy when I left there and came here.

14 (Laughter.)

15 BOARD MEMBER DE LA TORRE: I think I'm pretty
16 much the same person.

17 (Laughter.)

18 BOARD MEMBER DE LA TORRE: So -- but apparently
19 they didn't believe us when we went and talked to the
20 legislators over the last several years.

21 Thank you.

22 (Laughter.)

23 CHAIR NICHOLS: Okay. Well, that -- I probably
24 should let that be the last word --

25 (Laughter.)

1 CHAIR NICHOLS: -- but I'm not going to, because
2 I just have one point of information that I want to raise,
3 because I don't think it's a question of all money going
4 only to maintenance or all monies going only to
5 alternatives. I think there's room for some -- a little
6 bit more careful perhaps look at what makes up the
7 package. And so I just wanted to at least make the
8 observation that from what I have seen and the briefings
9 that I've heard that something like 20 percent of the
10 money that relates to roads that's in the bill actually is
11 going for expansion of roads.

12 And we do have an ongoing discussion in this
13 State, which needs to be resolved, I think. I believe I
14 know the right answer, but, you know, it's possible that
15 there is another position on this, which is that whenever
16 you add capacity to existing roadways, it does create some
17 induced demand, and it fills up immediately. So I would
18 argue that maybe the first place to look, at least in a
19 modest way, would be at the parts of the -- the parts of
20 the package that relate to increasing capacity and see if
21 we can -- if we could perhaps redirect those into things
22 that would be more in line with our other goals.

23 And that, I think, is the end of this discussion.

24 (Laughter.)

25 CHAIR NICHOLS: So with that, thank you all so

1 much. It was a great conversation, and we've got some
2 items to work on going forward. Thanks to the MPO
3 directors for coming and staying with us, and for all the
4 good analytical work you've been doing. And the next
5 question is -- first of all, we obviously need to take a
6 break. Everybody needs to stand up and stretch and move
7 around a little bit.

8 Are we up for dealing with the final item on our
9 agenda or will people just -- if you just can't take it
10 any more, which I would understand, we could move it to
11 tomorrow. Why don't you think about it while you're
12 taking your stretch, and then we'll decide.

13 (Off record: 7:13 p.m.)

14 (Thereupon a recess was taken.)

15 (On record: 7:19 p.m.)

16 CHAIR NICHOLS: I'm on now.

17 Thank you. Thank you, sound engineer. We are
18 dependent on you. We're going to take the last item,
19 because the staff has told me that they have boiled their
20 presentation down to the essentials, the absolute
21 essentials. Thank you so much.

22 (Laughter.)

23 CHAIR NICHOLS: And we have a short list of
24 witnesses, so -- and again, we'll be imposing the
25 two-minute limit. This is actually the -- placement of

1 this item on the agenda does not reflect the importance.
2 This is actually a very important item that we're dealing
3 wit here, but everything has to have an order, and this --
4 this is where it fell today.

5 So with that, I am going to call Agenda Item
6 17-3-6. This is the --

7 BOARD MEMBER MITCHELL: Madam Chair?

8 CHAIR NICHOLS: Yes.

9 BOARD MEMBER MITCHELL: Madam Chair, I just need
10 to announce that I'm going to recuse myself from this item
11 and leave the dais, because a decision on this item may
12 affect a financial interest that I hold, so...

13 CHAIR NICHOLS: Thank you very much, and thank
14 you for letting us know that you weren't just leaving to
15 go party while the rest of us were still working --

16 (Laughter.)

17 CHAIR NICHOLS: -- because there are others who
18 would have, I'm sure, opted to join you.

19 We'll see you tomorrow.

20 BOARD MEMBER RIORDAN: 8:30.

21 CHAIR NICHOLS: 8:30 tomorrow morning.

22 (Laughter.)

23 CHAIR NICHOLS: 8:30, yes.

24 Okay. So last item on the agenda is a proposed
25 regulation for greenhouse gas emissions standards, for

1 crude oil, and natural gas facilities. It's the second of
2 two hearings on this item. The first hearing considered
3 the proposed regulation along with the staff's 15-day
4 change proposals. And this is now back before us for
5 final approval.

6 And with that, I'm going to turn it over to the
7 staff. It's about methane.

8 EXECUTIVE OFFICER COREY: Yes, go.

9 CHAIR NICHOLS: Okay. You got a nice picture.

10 (Thereupon an overhead presentation was
11 presented as follows.)

12 CHAIR NICHOLS: That's a good start.

13 AIR RESOURCES ENGINEER FISCHER: Thank you.

14 Thank you, Mr. Corey. Good evening, Chair
15 Nichols and members of the Board, right?

16 (Laughter.)

17 CHAIR NICHOLS: He was going to waive his
18 presentation any way.

19 (Laughter.)

20 AIR RESOURCES ENGINEER FISCHER: Well, given the
21 late hour, and that this is the second hearing, I will
22 just be covering the highlights.

23 Next Slide.

24 --o0o--

25 AIR RESOURCES ENGINEER FISCHER: Here's an

1 overview of my presentation.

2 Next slide.

3 --o0o--

4 AIR RESOURCES ENGINEER FISCHER: Now, I will go
5 through a little background.

6 Next slide.

7 --o0o--

8 AIR RESOURCES ENGINEER FISCHER: Both the
9 original and 2013 update to the Climate Change Scoping
10 Plan identified the oil and gas sector as a significant
11 source of methane emissions. In addition, the Short-Lived
12 Climate Pollutant Strategy includes a 40 to 45 percent
13 reduction in methane from this sector by 2025. The
14 proposed regulation also helps further the objectives of
15 SB 4 and SB 887.

16 Next slide.

17 --o0o--

18 AIR RESOURCES ENGINEER FISCHER: In 2013, methane
19 emissions from this sector accounted for approximately
20 four percent of the total statewide methane emissions in
21 California. Other large sources of methane include
22 agriculture, waste handling, and pipeline related
23 activities.

24 Next slide.

25 --o0o--

1 AIR RESOURCES ENGINEER FISCHER: We coordinated
2 with our sister agencies at the Division of Oil and Gas
3 and Geothermal Resources, or DOGGR, and the California
4 Public Utilities Commission, or CPUC, to ensure
5 consistency with the related rule-makings. Also, we have
6 been working closely with the local air districts
7 throughout the development of this regulation.

8 Next slide.

9 --o0o--

10 AIR RESOURCES ENGINEER FISCHER: We've also been
11 reviewing federal actions related to oil and gas
12 facilities. Our proposal is for both new and existing
13 sources, is broader in coverage, and is generally
14 equivalent or more Stringent. We've been working to
15 harmonize these requirements as much as possible in order
16 to smooth implementation and to streamline the different
17 testing and reporting requirements.

18 Next slide.

19 --o0o--

20 AIR RESOURCES ENGINEER FISCHER: I will now
21 briefly discuss the proposed regulation with changes
22 incorporated since the last Board hearing.

23 --o0o--

24 AIR RESOURCES ENGINEER FISCHER: We have been
25 developing the proposed regulation for over two years

1 through an extensive engagement process with air districts
2 and stakeholders.

3 Next slide.

4 Next slide.

5 --o0o--

6 AIR RESOURCES ENGINEER FISCHER: The proposed
7 regulation overs intentional emissions, also known as
8 vented emissions, as well as unintentional emissions
9 called fugitive emissions or leaks.

10 Here's a list of the types of new and existing
11 oil and gas operations covered by this rule.

12 Next slide.

13 --o0o--

14 AIR RESOURCES ENGINEER FISCHER: I will now
15 describe the main provisions of the proposed regulation.
16 Separator and tank systems are used for separating crude
17 oil from produced water or for separating produced water
18 from natural gas. As part of the 15-day changes, we
19 clarified the provisions to exempt very low throughput
20 systems, as well as small gauge tanks because these
21 systems or tanks would have negligible

22 Next slide.

23 --o0o--

24 AIR RESOURCES ENGINEER FISCHER: Circulation
25 tanks are used in conjunction with well stimulation

1 treatments and used to remove excess sand from a well
2 after hydraulic fracturing or fracking.

3 In addition to following a best practices
4 management plan, as part of our 15-day changes, we
5 clarified that the technology assessment specified in the
6 proposed rule be made available in time for the ARB
7 Executive Officer to make a determination on whether or
8 not vapor controls will be required by January 1st, 2020.

9 --o0o--

10 AIR RESOURCES ENGINEER FISCHER: Leak detection
11 and repair or LDAR is a program designed for finding and
12 repairing leaking components, such as valves, flanges, or
13 pipe-fittings. Under this proposal, LDAR would be used to
14 find and repair leaks of methane at all types of
15 facilities, including natural gas facilities not covered
16 by district rules.

17 The proposal requires quarterly instrument
18 inspections to locate leaks. These requirements have been
19 modeled directly after existing local district rules. In
20 the July 2016 version of the proposed regulation, there
21 was a provision that allowed facilities to step down from
22 quarter to annual inspections.

23 Based on additional scientific information and
24 per the Board's direction, we removed the annual step-down
25 provision as part of our 15-day changes. During the

1 comment period, we received comments by some stakeholders
2 that believed that leaks found in the 4th quarter will
3 result in an automatic violation. We clarified that as
4 stated in the context of the regulation, they will not
5 receive a violation for repairing leaks within the
6 specified time frames.

7 We also received comments expressing concern that
8 a facility may need to vent or blow down large volumes of
9 gas in order to make minor repairs, and that this could
10 create more emissions. We believe that -- we believe that
11 most leaks would not require such blow downs to repair.
12 Nevertheless, this concern can be addressed for safety or
13 natural gas system reliability reasons by way of the delay
14 of repair or critical component provisions which allow for
15 longer repair times.

16 We plan to include these clarifications as part
17 of our Final Statement of Reasons that we submit to the
18 Office of Administrative Law. And we may also find a need
19 to issue additional guidance during implementation for
20 this and other topics.

21 --o0o--

22 AIR RESOURCES ENGINEER FISCHER: For underground
23 natural gas storage facilities, the proposal includes a
24 monitoring plan that covers both ambient air monitoring
25 and wellhead monitoring designed for the early detection

1 of leaks. These requirements are in addition to LDAR and
2 are based on lessons learned from Aliso Canyon, which
3 highlighted the need for regular monitoring at these high
4 pressure concentrated sites.

5 As part of the 15-day changes, we revised the
6 ambient air monitoring provision to include upwind and
7 downwind monitoring sensors and revise the baseline
8 monitoring criteria. We also incorporated new
9 requirement -- a new requirement based on SB 887 requiring
10 the use of optical gas imaging in the event of a well
11 blowout.

12 --o0o--

13 AIR RESOURCES ENGINEER FISCHER: We made no
14 significant changes to the provision for -- on
15 compressors, so in the interests of time, I'll skip this
16 slide.

17 --o0o--

18 AIR RESOURCES ENGINEER FISCHER: We also made no
19 significant changes to pneumatics or measurement and
20 reporting requirements, so I will skip this slide.

21 --o0o--

22 AIR RESOURCES ENGINEER FISCHER: Beginning
23 January 1st, 2018, the testing and reporting requirements
24 take effect. Beginning January 1st, 2019, the equipment
25 changes-outs go into effect. And finally, beginning

1 January 1st, 2020, circulation tank must be controlled
2 with the use of a vapor collection system, unless the ARB
3 Executive Officer determines otherwise, after reviewing
4 the results of the technology assessment.

5 We have developed this phased-in approach to put
6 the regulation in place as quickly as possible, while
7 recognizing necessary lead time.

8 --o0o--

9 AIR RESOURCES ENGINEER FISCHER: The overall
10 estimated annualized cost of the proposed regulation is
11 \$27.3 million, and the regulation results in estimated
12 annual methane reductions of more than 1.4 million metric
13 tons of CO2 equivalent using a 20-year global warming
14 potential. These estimates reflect 15-day changes.

15 The proposed regulation resulted in an overall
16 cost effectiveness of about \$19 per metric ton of CO2
17 equivalent reduced.

18 --o0o--

19 AIR RESOURCES ENGINEER FISCHER: This proposal
20 also results in statewide emission reduction co-benefits,
21 and VOC -- of VOC and toxic air contaminant and results in
22 a neutral statewide NOx impact.

23 --o0o--

24 AIR RESOURCES ENGINEER FISCHER: Next, I will
25 briefly discuss the environmental analysis.

--o0o--

AIR RESOURCES ENGINEER FISCHER: Staff completed a draft environmental analysis, or EA, for the proposed regulation. Staff received two comment letters on the draft EA during the 45-day public comment period. Staff has also provided the final EA and written responses to comments on the draft EA to the Board for your consideration.

--o0o--

AIR RESOURCES ENGINEER FISCHER: I will now cover some of the aspects related to implementation.

--o0o--

AIR RESOURCES ENGINEER FISCHER: As I mentioned, the local air districts play a major role in reducing emissions from stationary sources. This proposal allows both ARB and the districts to implement the proposed regulation. However, district implementation is preferred. Districts are encouraged to charge fees to help cover the cost of implementation, and that can also keep enforcement penalties. ARB is also working with the air pollution control officers of affected districts in exploring additional resource options to aid with the cost for personnel and test equipment.

--o0o--

AIR RESOURCES ENGINEER FISCHER: ARB and the

1 districts have developed a Memorandum of Agreement that
2 specifies each agency's roles and responsibilities,
3 enforcement coordination, as well as a supporting -- as
4 well as supporting information and data sharing. We
5 expect the MOA to be completed this summer prior to
6 implementation of the regulation.

7 --o0o--

8 AIR RESOURCES ENGINEER FISCHER: As is typical of
9 ARB programs, we will examine the data reported each year,
10 along with any additional voluntary data provided. We
11 also plan to work closely with CAPCOA and stakeholders to
12 develop guidance, while we monitor implementation. This
13 may include guidance on clarity issues related to LDAR
14 concerns on the fourth quarter violations and blow downs.
15 We plan to periodically update the Board and propose
16 adjustments as necessary.

17 --o0o--

18 AIR RESOURCES ENGINEER FISCHER: I will now
19 present staff's recommendation.

20 --o0o--

21 AIR RESOURCES ENGINEER FISCHER: Staff recommends
22 that the Board adopt Resolution 17-10 to approve the
23 written responses to the environmental analysis comments,
24 certify the final environmental analysis, and make the
25 required CEQA findings, to adopt the final regulation

1 order, and direct staff to continue working with the
2 districts to finalize the MOAs.

3 That concludes my presentation, I would now like
4 to introduce Alan Abbs, the Executive Director of the
5 California Air Pollution Control Officers Association to
6 say a few words.

7 After Alan, you will also hear from Rob Habel of
8 the Division of Oil, Gas and Geothermal Resources. In
9 addition, CPUC has provided a letter of support.

10 CHAIR NICHOLS: Hello again.

11 CAPCOA EXECUTIVE DIRECTOR ABBS: Good evening. I
12 didn't realize I had a position of honor tonight for this.

13 (Laughter.)

14 CAPCOA EXECUTIVE DIRECTOR ABBS: I thought I was
15 just going to be a commenter.

16 My name is Alan Abbs and I'm the Executive
17 Director of the California Air Pollution Control Officers
18 Association. Thank you for the opportunity to come up and
19 support this regulation, that if approved and implemented
20 would result in significant reductions in methane across
21 the State, as well as toxic air contaminants. And I think
22 that's one of the things that we're -- we strive to do in
23 all these GHG regulations is not only get the reductions
24 for GHGs, but also get the criteria pollutant reductions
25 and the toxic air contaminant reductions. And so that's a

1 nice thing to see as part of this regulation.

2 This -- staff only had give minutes to do the
3 presentation, but it belies that there's been a lot of
4 work that's gone into making this regulation. And the air
5 districts have been working with ARB staff for over two
6 years in various work groups to look at the regulation and
7 the implementation, and try to do refinements.

8 And this regulation is one of those unique ones
9 that connects stationary sources with greenhouse gas
10 regulations. And so it's a mash up of air district
11 responsibilities, and ARB responsibilities. And these are
12 particularly difficult regulations to get through and --
13 but we manage to do it.

14 And so we have haven't fully gotten the process
15 down, but we got pretty close this time. And we're
16 looking forward to finishing up the MOU process and the
17 implementation phase to make this regulation a success.

18 The last thing I'll stay is that there -- we have
19 two types of air districts that are going to be
20 implementing this regulation. We have oil and gas
21 districts, ones that have existing oil and gas operations
22 and traditionally have -- have these facilities under
23 permit. And then the non-associated gas districts, which
24 traditionally have only permitted combustion devices that
25 are at these non-associated gas facilities like

1 compressors and dehydrators.

2 The non-associated gas districts, as staff
3 mentioned, are going to need some significant support
4 going forward to make sure that they can implement this
5 regulation, because they're going to be adding a lot of --
6 a lot of components as part of their -- as part of their
7 permitting and enforcement that haven't been permitted and
8 inspected before.

9 And so staff mentioned some help with staffing,
10 with resources, with equipment, we'll all be -- we'll all
11 be looking for support from ARB for that going forward.

12 So with that, thank you for the opportunity to
13 comment. And as I said, we look forward to working with
14 CARB during the implementation phase.

15 Thanks.

16 BOARD MEMBER SHERRIFFS: Can I ask a question?

17 CHAIR NICHOLS: Yes.

18 BOARD MEMBER SHERRIFFS: I was wondering how many
19 districts this will affect and what percent of them, in
20 fact, are -- have expressed an interest in --

21 CAPCOA EXECUTIVE DIRECTOR ABBS: In implementing
22 the --

23 BOARD MEMBER SHERRIFFS: In implementing it, yes.

24 CAPCOA EXECUTIVE DIRECTOR ABBS: So we have -- we
25 have 15 air districts that look like they would be

1 affected or would have sources that they would regulate as
2 part of this regulation, and about, roughly split, half
3 are oil and gas districts and half are non-associated gas.
4 And from what I've been able to figure out, the oil and
5 gas districts are all going to be able to roll those
6 regulations into their existing enforcement and
7 implementation. We have the non-associated gas districts
8 that are really looking at the regulation. And part of
9 it's going to rely on the implementation and the
10 Memorandum of Understanding with ARB.

11 But I believe that our goal should be to get all
12 of the districts to do it. But it will be challenging,
13 but we'll give it a shot. May not be successful, but
14 we'll give it a shot.

15 Thanks.

16 CHAIR NICHOLS: Okay. We were going from our
17 colleagues with Department -- Division of Oil and Gas.

18 DOGGR SPECIAL ASSISTANT HABEL: Good evening.

19 CHAIR NICHOLS: Hi.

20 DOGGR SPECIAL ASSISTANT HABEL: My name is Rob
21 Habel with the Division of Oil and Gas and Geothermal
22 Resources. As Joe mentioned, a sister agency to ARB.

23 First of all, I'd like to mention that the
24 Division of Oil and Gas is the major regulatory agency
25 responsible for overseeing the development of oil and gas

1 resources in the State.

2 And although the majority of our work deals with
3 the subsurface, the construction of the wells, the
4 operating the wells, and a variety of other things, we
5 also do have a component of the surface, such as tanks,
6 pipelines, compressors and so on. Therefore, we have an
7 overlapping role with a lot of the work that ARB does.
8 And so we've been working very closely with ARB for
9 several years, even before SB 4. You remember SB 4
10 dealing with well stimulation, hydraulic fracking.

11 And through that effort, we do have a memorandum
12 of agreement to share information, and bring ARB into the
13 permitting process, and take their comments. So they're
14 very involved.

15 And more recently, we've had a lot of
16 conversations with the staff ARB dealing with Aliso
17 Canyon. So we've had meetings on a regular basis. We've
18 conducted site visits looking at new technology. And
19 because the Division has Emergency regulations in effect,
20 as a result of Aliso Canyon, we had leak detection
21 protocols associated with that.

22 And as a result of the emergency regulations,
23 we're in the process of finalizing having permanent
24 regulations, which should be coming out next several
25 weeks. And in that component is with the leak detection

1 most of that really should fall onto ARB, but since we
2 were already poised to do that, we have that
3 responsibility, and we're working very, very closely with
4 the ARB staff.

5 At the same time, with our rule-making that's
6 coming out very soon in the next several weeks, we've also
7 worked out a nice hand-off to ARB. So we've been informed
8 that even though the regulations may be in effect January
9 1, 2018, they probably won't be fully implemented until
10 September 2018. So the way we worked very closely with
11 our legal team and ARB's legal team to draft our
12 regulations to make a nice smooth hand-off that we will
13 continue doing the monitoring until ARB's program is fully
14 implemented.

15 And so we are here in support. We're working
16 very closely with ARB, and we look forward to continually
17 working closely with the staff to regulate the oil and gas
18 industry and any emissions. And I'm here to answer any
19 questions if you may have any.

20 CHAIR NICHOLS: Thank you. I appreciate very
21 much your being here and spending the time with us, and
22 always your collaboration on this. It is always a little
23 bit tricky when you've got agencies with slightly
24 different mandates, but overlapping areas of jurisdiction.
25 And we certainly recognize that your Division has the lead

1 on this industry as far as California is concerned. But
2 we get to -- we get to be responsible for everything that
3 competes -- everything that contributes at least to
4 greenhouse gas emissions. So it's -- I think it's worked
5 well, and thank you for all your help.

6 Thank you.

7 DOGGR SPECIAL ASSISTANT HABEL: Thank you.

8 CHAIR NICHOLS: As you mentioned, we also have a
9 letter from the Public Utilities Commission urging us to
10 move forward at this point as well.

11 So I guess we should now turn to the witnesses.
12 If you want to come forward, those of you who have made
13 the long trek and are still with us starting with Bruce
14 Baizel and on.

15 MR. BAIZEL: Good evening. Good evening,
16 Chairman Nichols and Board. Thank you for persevering. I
17 came from southwest Colorado. And it's a little different
18 than the last time I came and submitted comments. I
19 worked -- we have an -- I'm an NGO. We work with
20 communities on the impacts from oil and gas and mining.
21 And under my supervision, we have a couple of the OGI
22 infrared cameras that we've been using in conjunction with
23 communities, particularly down in Kern County, but also in
24 L.A. basin to look at emissions. And we do some air
25 testing and things like that. So I participated in the

1 Colorado rulemaking when we did our methane rule in 2014.

2 So part of the reason I felt it was important to
3 be here today was because this is a very significant rule,
4 and we are extremely pleased that this has come to
5 fruition. This rule -- this rule nationally will raise
6 the standards for what's done in terms of leak detection,
7 and control of methane emissions in the oil and gas
8 exploration and production and storage areas.

9 So for us as an NGO trying to reduce impacts
10 we're extremely pleased. And I think for that reason
11 alone, it was worth the price of the plain ticket to come
12 out. And hopefully, you will be passing that -- passing
13 this.

14 But the second reason is that we -- because we do
15 work with communities, and part of what we do is try to
16 help increase enforcement, and we -- so we read the rule
17 very carefully. And we're very comfortable with the
18 provisions that are in there that will allow us to
19 continue to use the infrared technology to say, yes, what
20 you're smelling is also -- have some methane components to
21 it. And therefore, you can go to the air district. And
22 we've done that successfully this past fall. For example,
23 some tanks down in Kern County, where they submitted the
24 videos and the complaint was filed, and a violation of --
25 notice of violation was issued.

1 So I'm really pleased that you're doing this, and
2 glad to be here.

3 CHAIR NICHOLS: Thank you. Thanks for joining.

4 MR. EDER: Is there a timing thing?

5 CHAIR NICHOLS: Yes.

6 MR. EDER: Where is it?

7 CHAIR NICHOLS: You can see it off to your left,
8 I believe. The number should pop up as soon you start.
9 Well, it's not popping up at the moment. Where is the
10 timer.

11 MR. EDER: Is this it here?

12 CHAIR NICHOLS: It's that yeah, but it hasn't
13 started yet.

14 MR. EDER: One that doesn't move. Anyway.

15 CHAIR NICHOLS: It won't start until you start
16 speaking.

17 VICE CHAIR BERG: And the lights in front of
18 you --

19 CHAIR NICHOLS: And there's a light in front of
20 you also. That green light that -- so --

21 MR. EDER: Okay. Well, knowing how much time you
22 have is valuable. Anyway. I support this. I did some
23 work with going to DOGGR meetings about solar for storage,
24 which was ignored. They're using these -- the same
25 facilities could be used for solar storage as used for

1 natural, gas and oil.

2 Worked with a group on fracking. You folks said
3 8, 10 years ago there was no fracking in the State. Well,
4 there is. And that happens on the 90 percent of the
5 natural gas that comes into the State.

6 This brings the greenhouse gas numbers way up,
7 even on 100-year basis over 100. Work done out of Cornell
8 Howarth et al. incorporated into the record by reference.

9 They're -- this -- we have -- we've got oil and
10 gas around, and we've got to use them for the transition.
11 Also, there's the possibility of the State litigating
12 against ExxonMobil. They knew about this since '76 -- I
13 see a green light -- this is a minute that I'm limited to?

14 Okay. All right. Well, they've got to be phased
15 out, and solar has to be phased in.

16 Oh, okay. Anyway. There's no two ways about it.
17 The sooner we do it, the better, and there is, you know,
18 the laws on the books about non-renewable fossil fuels.
19 And anyway, we need to work on solar conversion as soon as
20 possible.

21 It says in the law that is expediently as
22 practical, which means at least five years ago, when we
23 had the '12 plan and stuff was cost effective then.

24 MS. THOMAS: Good evening. I'm Taylor Thomas
25 with --

1 (Timer went off.)

2 MS. THOMAS: Woop. I didn't even start yet.

3 I will be very brief. I'm Taylor Thomas with
4 East Yard Communities for Environmental Justice. I'll
5 just get right to the point. I'm here with four specific
6 asks, maintain the leak threshold at 1,000 parts per
7 million, maintain the quarterly leak repair timelines,
8 prioritize the top 25 percent of disadvantaged
9 communities, as identified by CalEnviroScreen, and move
10 forward with the adoption of this rule today.

11 Thank you.

12 MS. ALI: Good evening, Chair Nichols and members
13 of the Board. Fariya Ali on behalf of PG&E. I'd like to
14 start off by really thanking staff for all of their hard
15 work on the oil and gas regulation. In particular,
16 staff's efforts to try and address some of our operational
17 concerns.

18 For example, as Mr. Fischer mentioned, the
19 clarification by ARB that it is not their intent for leaks
20 above the thresholds that are found by operators in the
21 fourth quarter of every year to automatically be
22 considered violations, as long as they're repaired on time
23 is really important and we look forward to seeing this
24 explanation in the Final Statement of Reasons, and
25 recommend that it be included in guidance to the local air

1 districts as appropriate as well.

2 However, the use of EPA Method 21 as the basis in
3 this rule for characterizing the severity of leaks is
4 still a major concern, as it can lead to a considerable --
5 as it could lead to a considerable amount of time and
6 resources being spent to repair leaks of negligible size.

7 Method 21 is not a good predictor of actual
8 methane emissions. A leak that has a high concentration
9 measurement does not necessarily indicate a high emission
10 leak. And this has been demonstrated in the Stage
11 Research Report recently released by ARB as well as our
12 survey results as well.

13 So as we move forward into implementation, we
14 really hope that ARB will continue to work with operators
15 to identify better tools and methodologies to characterize
16 leaks in Method 21 alone, and that we can incorporate
17 these into the regulation as soon as its feasible to make
18 amendments. I'd just like to thank staff again, and look
19 forward to continuing to work on this to achieve our
20 common goal for cost effective methane emission reductions
21 to the natural gas system.

22 Thank you.

23 MS. PHILLIPS: Kathryn Phillips with Sierra Club
24 California. This was a rule that one of our national
25 attorneys, Elly Benson has been following carefully. The

1 fact that national got involved should suggest to you how
2 important this is for the Sierra Club, but also for
3 everybody around the country who's been watching this
4 rule.

5 I just want to urge CARB to continue the work
6 that it's going to be doing on the MOA to make sure that
7 there's a very careful plan to make sure this is actually
8 implemented at the local level, and there's probably going
9 to require some monitoring and some close coordination.

10 Also urge ARB to prioritize enforcement at
11 facilities near environmental justice communities. And
12 then finally, I just want to thank you for requiring the
13 quarterly inspections and for rejecting a stepdown
14 provision. That's a very important one for all of us.

15 Thank you.

16 MR. BARRETT: Good evening. I'm Will Barrett
17 with the American Lung Association in California. The
18 American Lung Association supports the reduction of
19 methane and other toxic emissions from the whole lifecycle
20 of the oil and gas sector.

21 In contrast to the federal dialogue right now on
22 methane, we view this proposal before you as an important
23 signal that will continue to protect our people and our
24 climate against the unnecessary waste and leakage in the
25 oil and gas sector. We view the quarterly -- ongoing

1 quarterly monitoring and correction of leaks as key, and
2 applaud that the Board is moving forward with that
3 provision without a stepdown going forward.

4 We encourage you to adopt the plan today and move
5 forward with implementation in coordination with the air
6 districts and in coordination with ensuring that the
7 environmental justice community is most affected by
8 this -- the leaks are treated well in this implementation.

9 With that, thank you very much for your
10 leadership and your patience throughout the day.

11 Thank you.

12 MR. MARQUEZ: Thank you for this opportunity to
13 speak. My name is Jesse Marquez, executive director of
14 the Coalition for a Safe Environment, and also speaking on
15 behalf of Los Angeles Environmental Justice Network and
16 the California Communities Against Toxics.

17 And I'm here to say congratulations for doing a
18 great job. Staff who worked on it, a special kudo to you,
19 especially for doing the interfacing with other agencies,
20 because I always have to deal with all those little
21 problems.

22 What we do like about this regulation are several
23 things. We do support the natural gas underground storage
24 facility's air monitoring, but we also want to make sure
25 it's for all categories of chemicals.

1 We do support the daily and continuous leak
2 screening at each injection with withdrawal wellhead and
3 pipelines. I live on top of the Wilmington oil field all
4 my life. There are over three, four hundred operating oil
5 wells right now, and about 100 more still in the planning
6 to be done, so this is a major concern.

7 We do congratulate you for using and
8 acknowledging the best available control technology, which
9 is a vapor collection system and vapor control devices.
10 The ironic thing I have to ask is why is it mandatory
11 here, when I brought it up during the SIP and AQMD that
12 oil refineries do not have to use this best available
13 control technology on their storage tanks. That needs to
14 be corrected.

15 We also want to make sure that this reg is not a
16 permit that allows the oil well drilling industry to
17 continue fracking or expanding their fracking. I do not
18 want this to be a reference that is a permit for them to
19 do that. So please clarify that.

20 I did look at your regulations for -- that
21 identifies your enforcement. And I do applaud you for the
22 categories of clearly defining what they must comply with.
23 However, I discovered a big problem here.

24 Nowhere is there an acknowledgement or section
25 for the penalties and sanctions for violating any of these

1 criterias. It does not exist in the document. Please
2 correct that, and we want to see it for the next document.

3 MR. PITCHER: Good evening Chair Nichols, members
4 of the Board. My name is Jenifer Pitcher, and I'm here on
5 behalf of the Western States Petroleum Association.

6 I would first like to start off by expressing our
7 appreciation to your staff for working with WSPA and our
8 members over the last three years in the development of
9 this methane relation.

10 From the beginning of the rule development
11 process, we've emphasized the importance of ensuring that
12 methane regulation recognizes existing control
13 requirements and does not unnecessarily impose duplicative
14 requirements on operators.

15 In general, WSPA supports many of the staff's
16 revisions. However, we would like to again, for the
17 record, point out some of the following issues and
18 recommendations for your consideration.

19 For circulation tanks, ARB is proposing control
20 measures for circulation tanks beginning in 2020. As
21 noted in our comments, we remain concerned that there are
22 no feasible control technologies currently available that
23 can achieve the requirement to be able to meet the 95
24 percent control efficiency, including the disposal without
25 the use of supplemental fuel, or that can be disposed of

1 without raising potential safety risks with the control
2 measures proposed.

3 We believe staff's revisions provide
4 clarification to allow for operators to continue with BNPs
5 if no such technology is available by the 2020 deadline.
6 We want to emphasize the importance for ARB to revisit the
7 regulation and make necessary revisions in the event that
8 no technology is available.

9 We also provided a safety analysis on the
10 circulation tanks, and we have that safety expert here to
11 answer any questions that you have.

12 For leak detection and repair, we've stated
13 previously in our comments that oil and gas operators have
14 been subject to LDAR programs for over 30 years in the San
15 Joaquin Valley and in other air pollution control
16 districts. We understand the concerns raised in regards
17 to natural gas storage projects. And we again want to
18 point out there is immense differences between oil
19 production and storage.

20 Given that WSPA members Have implemented LDAR
21 inspec -- LDAR programs and equipment for the past several
22 decades, we would urge the Board to reinstate the
23 step-down provision. And if the Board does not agree to
24 reinstate it, we would encourage you to direct staff to
25 evaluate the data that's generated from the LDAR program,

1 and reconsider adjusting the frequency of inspections at a
2 later date.

3 And with that, I also provided some letters of
4 support for you. And I thank you for your time.

5 MR. RIVERA: Good evening. Willie Rivera,
6 Director of Regulatory Affairs for the California
7 Independent Petroleum Association.

8 I've been waiting in that audience for 11 hours
9 to be in front of you. So I am glad to have finally made
10 it here.

11 The beauty of 11 hours is I had a whole lot of
12 time to condense my comments into four points. And they
13 are Joe, Jim, Elizabeth, and Craig. Your staff to my
14 right did a great job on this over the last few years.
15 This has been long, enduring, and arduous. And while we
16 made a great degree of progress and I can't tell you that
17 we believe there's a perfect regulation before you here
18 this evening, we're excited to continue working with you
19 and your staff on the implementation of this particular
20 regulation at the local districts.

21 I think as the MOA process continues and
22 memorandums begin to take shape, as key stakeholders, we
23 should be involved in that process to the greatest extent
24 possible. And we ask that that be incorporated into your
25 actions moving forward.

1 We did submit a letter with several items for
2 consideration in February. I don't need to go through
3 those now. But if those items can be recognized in a
4 Final Statement of Reasons, or in the adoption of the
5 resolution, or in somehow, or in some fashion be
6 addressed, we would appreciate that.

7 We would also stand in strong support of WSPA's
8 suggestion just now related to LDAR inspections and
9 revisiting data in a few years. We believe that's
10 critical as well.

11 Otherwise, thank you for your time. Have a good
12 evening.

13 MS. MORRIS: Jennifer Morris representing
14 SoCalGas. First, we'd also like to thank the staff for
15 working with stakeholders during the rulemaking process.
16 Particularly during the past year, staff have put a lot of
17 effort into addressing our concerns and we do appreciate
18 that.

19 We especially appreciate Mr. Fischer addressing
20 our concern about the issue of leaks reported by operators
21 in the fourth quarter. And we look forward to this
22 clarification in the upcoming FSOR and guidance to the air
23 districts.

24 We share ARB's methane reduction goals, and
25 support State efforts to mitigate methane in a technically

1 feasible and cost effective manner. We do still have a
2 few remaining operational and feasibility concern with
3 this rule, and we have raised these issues with both staff
4 and the Board. These concerns are automatic violations
5 for leaks measured above allowable thresholds as Method 21
6 concentration measurements that have been shown to be a
7 poor predictor of actual methane volume.

8 Safety risks and feasibility issues with vapor
9 recovery requirements for compressors and limited viable
10 technology options in the storage monitoring provision of
11 the rule.

12 We do appreciate staff's commitment to work with
13 us on remaining concerns during implementation of the
14 rule, and to modify the rule, if needed.

15 We look forward to working with ARB to ensure a
16 successful rule implementation. And again, we thank staff
17 for their efforts in working with stakeholders.

18 CHAIR NICHOLS: Thank you.

19 Laura Yao, or Willie Rivera -- no. Jennifer
20 Morris, Laura Yao. Not here.

21 Irene Burga?

22 And then Bill Magavern.

23 MS. BURGA: Hello. Good afternoon -- evening.

24 My name is Irene Burga and I'm with the
25 Environmental Defense Fund. Thank you for the opportunity

1 to comment in support of this landmark rule, which we urge
2 the Board to adopt today. This rule is the product of
3 many years of effort by the Board, careful consideration
4 by staff, thoughtful listening of stakeholders, and
5 tracking important developments and impacts of methane on
6 climate and the effects of oil and gas pollution on public
7 health.

8 EDF has been an active participant on this issue
9 in California for much of the last seven years. We can
10 say with confidence that finalizing the rule today will
11 bring climate benefits, produce jobs, reduce waste and
12 inefficiencies in oil and gas operations and benefit
13 communities in California.

14 The rule will also support efforts of like-minded
15 jurisdictions across the country, which is especially
16 important, given federal efforts to repeal similar
17 regulations. These requirements are critical to ensuring
18 that ARB meets objectives aimed at reducing statewide
19 methane emissions, all while delivering significant public
20 health benefits. Oil and gas emissions include cancer
21 causing compounds like benzene, as well as volatile
22 organic compounds that form smog and cause respiratory
23 problems. Impacted communities near oil and gas have
24 reported experiencing severe headaches, nausea,
25 nosebleeds, and respiratory problems just to name a few.

1 These and other related impacts often correlate
2 with a higher number of days missed from school and work,
3 lower educational attainment and income potential, and
4 weakened health, and overall impacts, which are felt most
5 in low income communities and communities of color.

6 Given the equity concerns, we recommend the rule
7 implementation prioritize facilities in close proximity to
8 disadvantaged communities identified in the top 25 percent
9 of the CalEnviroScreen.

10 We applaud CARB for remaining committed to
11 requiring quarterly inspections.

12 And I just wanted to say we urge you guys to
13 adopt this and appreciate all the hard work done by staff
14 and the Board. Thank you.

15 MR. MAGAVERN: Good evening, Bill Magavern with
16 the Coalition for Clean Air. And as Irene said, this rule
17 has been in the making for a long time. We're very eager
18 for it to be implemented. I'm also very eager to get
19 something to eat.

20 (Laughter.)

21 MR. MAGAVERN: So I will just say speaking also
22 on behalf of John Shears from CEERT who's sitting behind
23 me, we particularly appreciate the removal of the
24 step-down provision for inspections. And this rule we
25 think is going to be the best in the country and becomes

1 especially significant, given the federal government's
2 retreat from methane regulation.

3 Thank you.

4 CHAIR NICHOLS: And you are the last speaker, and
5 so I am going to close the record.

6 (Applause.)

7 CHAIR NICHOLS: And I'm going to omit my closing
8 remarks, because actually Mr. Magavern pretty much said
9 what I would have said. The only thing I would add to
10 that is that I really appreciate the fact that the oil and
11 gas industry worked with us on this regulation, and played
12 a positive and constructive role in bringing us to this
13 point. Not to say that that isn't always the case, but,
14 you know, sometimes our disagreements, especially on
15 technical matters, can really be profound and difficult to
16 overcome.

17 And I think this is one where respect on both
18 sides prevailed. And so as a result of that, we have a
19 much stronger rule, but it's also one that can be adapted
20 as we move along, if we gain new information if there's
21 reasonable to do so.

22 So with that, I want to thank the staff as well,
23 especially for being so flexible and for making your
24 presentation so brisk.

25 And now, unless anybody has any further

1 discussion on this item, I think I can just ask that we
2 bring it forward.

3 VICE CHAIR BERG: Yes, I would move that we move
4 Resolution 17-10.

5 BOARD MEMBER DE LA TORRE: Second.

6 CHAIR NICHOLS: We have a second.

7 All those in favor please say aye?

8 (Unanimous aye vote.)

9 (Senator Lara, Assembly Member Garcia and
10 Supervisor Roberts not present.)

11 CHAIR NICHOLS: Opposed?

12 Or abstentions?

13 We have no abstentions.

14 All right. Thank you all very much.

15 It has been a long day, but we really got a lot
16 done. So thank you very much.

17 BOARD CLERK McREYNOLDS: Madam Chair, we have a
18 public comment.

19 CHAIR NICHOLS: Is there is someone who's asked
20 to comment from the general public on a general comment
21 not before the Board?

22 Oh, that's the card I have right here. I
23 apologize. I didn't know that that was what it was for.
24 It's yellow. I should have recognized it.

25 All right. Mr. Harvey Eder.

1 I'm not -- oh, it's -- he's back. Your
2 handwriting changed.

3 MR. EDER: Hello. I'm Harvey Eder talking for
4 myself and for the Public Solar Power Coalition. I've
5 come before you in the past. That was when Dr. -- at
6 least when Dr. Lloyd was here for electric vehicles, 12,
7 15 years ago.

8 Now, we're cutting back our numbers on electric
9 again, only one and a half million by '25. This is
10 pathetic. Back then, the -- Paul Scott and Plug In
11 American were there. They're the ones that did who sold
12 the electric car, where -- your predecessors were
13 involved.

14 This history is important, because there's been
15 so -- this shows the decades and whatnot of dragging feet.
16 And I first saw solar in Israel nearly fifty years ago on
17 the relative -- my relative's roofs who survived Hitler.
18 I said, What's that? Oh, that's our solar hot water
19 system". We had in the eighties, a third of the size of a
20 giant nuke, 354 megawatts built in the desert out here
21 within 100 miles of here in Daggett and Victorville. And
22 back then, it only cost \$3,500 a kilowatt hour. That's
23 not much.

24 Got a lot of lip from the environmental
25 community. They were out there, after the tax credit,

1 getting their billion dollars, going each year to get them
2 extended and whatnot. It was Luz, an Israeli company.
3 And they've been operating using solid storage. Now,
4 there's a -- concentrating solar has been ignored. When
5 combined with district heating and cooling, you get 70, 80
6 percent of your energy in -- it's in the record for South
7 Coast about the sun shot, the last eight papers in March
8 of last year.

9 Anyway, I'll -- the stuff is way proven out
10 there. There's two gigawatts going in in Chile with
11 24-hour storage at \$0.10 a kilowatt hour by Solar Reserve.

12 CHAIR NICHOLS: All right.

13 MR. SHEARS: I just want to quickly give my --
14 give kudos to the court reporter, who's had to be the --

15 (Applause.)

16 MR. SHEARS: -- the most focused person in the
17 room all day today --

18 (Applause.)

19 MR. SHEARS: -- and deserves a bonus.

20 (Laughter.)

21 CHAIR NICHOLS: That was a good comment.

22 All right. We are adjourned.

23 (Thereupon the Air Resources Board
24 adjourned at 8:06 p.m.)
25

C E R T I F I C A T E O F R E P O R T E R

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California Air Resources Board meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, under my direction, by computer-assisted transcription;

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of April, 2017.



JAMES F. PETERS, CSR
Certified Shorthand Reporter
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