

MINUTES

REGIONAL AIR QUALITY COUNCIL

Thursday, September 1, 2005

RAQC MEMBERS/ALTERNATES PRESENT:

Jim Scherer, *CHAIRMAN*
Theresa Donahue, *TheAdams Group*
George Gerstle, *Colo. Dept. of Transportation*
Doug Lempke, *Colo. Dept. Public Health & Environment*
Sue Sandstrom, *City of Aurora*
Dave Sladek, *TheClayton Group*
Melanie Worley, *Douglas County/DRCOG*

RAQC MEMBERS NOT IN ATTENDANCE:

Randy Ahrens, *City & County of Broomfield*
Dennis Arfmann, *Hogan and Hartson*
Doug Benevento, *Colo. Dept. Public Health & Environment*
Tom Norton, *Colo. Dept. of Transportation*

OTHERS PRESENT:

Ken Lloyd, RAQC; Misty Howell, RAQC; Gerald Dilley, RAQC; Sara O'Keefe, RAQC; Sarah Schmitz, RAQC; Steve McCannon, RAQC; Shirleen Tucker, APCD; Stan Dempsey, Colorado Petroleum Association; Jeff May, DRCOG; Gerald Gallagher, EMC; Frank Johnson, ; Dennis Creamer, Suncor Energy; Rick Griffith, Ethanol Management Company; Janet Kieler, DIA; Bob Lowdermilk, AQCC; Margy Christiansen, RAQC; Patty Stulp, Ethanol Management Company; Kip Shore, NEXIDEA; Aaron Frame, City and County of Denver; and Becky Brooks, EMC.

The meeting was called to order at 3:02 p.m. by Chairman Jim Scherer. A quorum was present at 3:45 p.m.

Approval of Agenda and Minutes

George Gerstle moved to approve the agenda; seconded by Theresa Donahue; passed without objection.

Theresa Donahue moved to approve the minutes; seconded by Dave Sladek; passed without objection.

Informational Items

Chairman

Jim Scherer stated that he and Ken Lloyd met with Adams County Commissioners to discuss Adams County's funding contribution to the RAQC.

Executive Director

Ken Lloyd informed Council that ozone season ended August 31. There were no violations of the standard during the season. He reviewed the table with the top four maximum values at each site.

Sara O'Keefe gave Council an overview the advertising for the 2005 ozone season. She also summarized preliminary results from the post-campaign survey.

Committees

None.

Members

Doug Lempke reminded Council that the AQCC meeting on September 15 will be in Durango.

Public Comment and Discussion

None.

Proposed PM-10 Maintenance Plan Revision

Ken Lloyd reviewed the PM-10 maintenance plan revisions. He explained that the plan continues to demonstrate maintenance of the standard through 2022 and satisfies the commitment to revise the plan with MOBILE6. This revision also meets the requirement for a second maintenance plan covering 20 years after redesignation.

There was discussion regarding the motor vehicle emissions budget and trading between NOx and PM-10. Ken stated there is an interagency consultation process for trading included in the plan that will ensure reasonable measures have been taken to meet the budget before trading will be allowed. Ken indicated EPA is still reviewing the two-way emission budget trading issue and may want the plan to include a safety factor in the trading ratios.

Janet Kieler, Senior Engineer at Denver International Airport (DIA), indicated that DIA is concerned with the safety margin being completely allocated to mobile sources. She advocated keeping some of the safety margin for sources like DIA. However, she stated DIA understands the reasons for allocating the safety margin.

George Gerstle moved to adopt the PM-10 Maintenance Plan revisions as proposed; seconded by Dave Sladek; motion passed unanimously (7 in favor, 0 opposed, 0 abstentions).

Ken asked the Council how they wanted to handle comments from EPA regarding the two-way emission budget trading issue. Council can provide direction at a future meeting and there will be opportunity during the pre-hearing process to provide input.

Proposed Carbon Monoxide Maintenance Plan Revision

Ken Lloyd reviewed the CO maintenance plan revisions. He explained that the plan continues to demonstrate maintenance of the standard through 2021 and satisfies the commitment to revise the plan with MOBILE6. This revision also meets the requirement for a second maintenance plan covering 20 years after redesignation.

The plan revision also removes Regulation No. 13 (oxygenated gasoline program) and Regulation No. 11 (Inspection/Maintenance program) from the CO SIP. However, Regulation No. 4 (woodburing program) remains in the plan because removing it would have an affect on the motor vehicle emissions budget. Moreover, the program continues to be part of the PM-10 maintenance plan and is also mandated by state statute. The plan revision also allocates most of the available safety margin to CO motor vehicle emissions budget and establishes specific budgets (1625 tpd for 2013-2020 and 1600 tpd for 2021 and beyond).

There was discussion regarding the future of the I/M program. Ken reminded Council that it is still included in the ozone maintenance plan. He clarified that the phase out language in the current CO maintenance plan refers to phasing the program out of the plan not phasing the program out of existence. The State has a contract with Envirotest that expires in 2005, but there is a two year extension option.

Janet Kieler, DIA, restated her concerns about the allocation of the safety margin. She indicated that historically, there was a table in the technical support document that outlined the portion of the margin that was allocated for DIA. This revision does not include a formal breakout of the safety margin.

Patty Stulp, Ethanol Management Company, and Rick Griffith, both advocated for keeping Regulation No. 13 in the CO Maintenance Plan.

Stan Dempsey, Colorado Petroleum Association, advocated for removal of Regulation No. 13 from the CO Maintenance Plan. He reminded Council that traditionally elements not required in a SIP have been removed.

Frank Johnson, Attorney General's Office, confirmed that the statute does not directly mention the need to remove strategies; it just state unnecessary strategies cannot be added.

Dave Sladek moved to adopt the plan as submitted by staff; seconded by George Gerstle; motion passed unanimously (7 in favor, 0 opposed, 0 abstentions).

Discussion of Repeal of Regulation No. 13 Concerning Oxygenated Gasoline Program

Ken Lloyd outlined the Council's options for addressing Regulation No. 13, which included:

1. Recommend that Regulation 13 be retained as a state-only requirement;
2. Recommend that Regulation 13 be repealed in conjunction with removal from CO SIP maintenance plan; or
3. Consider whether or not to repeal Regulation 13 in the future:
 - a. Before removal from CO SIP becomes effective (12/31/07)
 - b. Before increased requirements become effective in current regulation (2012)

Ken reviewed the history of Regulation 13. He also outlined the arguments for retaining and repealing Regulation 13.

Arguments for retaining include:

- Program has little or no cost;
- Program reduces CO emissions and results in health benefits;
- Requirements serve as a floor for ethanol use if current economics change;
- Ethanol reduces PM-2.5 emissions;
- Use of ethanol reduces dependence on foreign oil;
- Use of ethanol supports agriculture sector; and
- There is no legal requirement to repeal the program.

Arguments for repealing include:

- Program no longer needed to achieve CO health standard;
- Ethanol will continue to be provided in the market place based on current economics and financial incentives;
- Benefits of ethanol use will continue without regulation;
- Reduced regulatory/reporting burden on industry; and
- Regulation already repealed for Colorado Springs and Fort Collins/Greeley.

There was discussion regarding the need for Regulation 13 for the PM2.5 standard and whether it would be good to keep it as a state-only program so that the program structure would remain in place in case it is needed for PM2.5. It is unclear at this time how EPA will deal with a new PM2.5 standard.

Ken stated that if the regulation is repealed then the region cannot take credit for ethanol in its transportation conformity process.

Theresa Donahue moved to retain Regulation 13 as a state-only program; the motion died for lack of a second.

George Gerstle moved to consider repealing Regulation 13 in the future; seconded by Theresa Donahue; motion failed (3 in favor, 3 opposed, 1 abstention).

George Gerstle moved to consider repealing Regulation 13 before removal from CO SIP becomes effective (12/31/07); seconded by Melanie Worley; motion failed (3 in favor, 3 opposed, 1 abstention).

Sue Sandstrom moved to recommend that Regulation 13 be repealed, in conjunction with its removal from the CO Maintenance Plan; the motion died for lack of a second.

Doug Lempke indicated the AQCC Executive Committee decided to prepare the notice for the hearing in a broad manner to allow for discussion of the repeal of Regulation No. 13. The Council could include its recommendation during the pre-hearing process. George Gerstle expressed his concern regarding the implications this decision could have on conformity.

Council asked Ken Lloyd for the staff's recommendation. Ken indicated staff would recommend option 3a, noted above. This would provide an opportunity to evaluate the issues raised by interested parties in ample time before the program is removed from the SIP in two years.

Theresa Donahue moved to reconsider the motion to consider repealing Regulation 13 before removal from CO SIP becomes effective (12/31/07); seconded by George Gerstle; motion passed (6 in favor, 0 opposed, 1 abstention).

The motion to consider repealing Regulation 13 before removal from CO SIP becomes effective (12/31/07) passed (6 in favor, 0 opposed, 1 abstention).

Adjournment

There being no further business before the Council, the meeting was adjourned at 5:15 p.m.

The next meeting will be on Thursday, November 3, 2005.