

MINUTES

REGIONAL AIR QUALITY COUNCIL

Monday, August 20, 2008

RAQC MEMBERS/ALTERNATES PRESENT:

Andy Spielman, *Chairman, Hogan and Hartson, LLP*
Brad Beckham, *Colorado. Department of Transportation (alternate for Russell George)*
Theresa Donahue, *Smart Energy Living Alliance*
Mark Johnson, *Jefferson County Department of Health and Environment*
Ben Manvel, *City of Fort Collins*
Jim Martin, *Colorado. Department Public Health and Environment*
Jana Milford, *University of Colorado at Boulder*
Nathan Rabinovich, *National Jewish Health*
Joan Ringel, *Citizen Member*
Nancy Severson, *Denver Department of Environmental Health*

RAQC MEMBERS/ALTERNATES NOT IN ATTENDANCE:

Melanie Worley, *Douglas County/DRCOG*

RAQC STAFF PRESENT:

Ken Lloyd; Jerry Dilley; Sandi Garcia; Misty Howell; Steve McCannon; Kate Riegle

OTHERS PRESENT:

Renee Allen, Envirotest; Theresa Amoruso, APCD; Jim Brandon, ESP; Korby Bracken, Anadarko; Kevin Briggs, APCD; Dennis Creamer; Laurel Dygowski, EPA; Abby Gaffney, Davis, Graham & Stubbs; Zac Graves, CDOT; John Jacus, Davis Graham & Stubbs; Kristen King, CDPHE Doug Lempke, CDPHE; Brian Lockard, Noble Energy; Chuck Machovec, APCD; Suzette Mallette, North Front Range MPO; Dennis McNally, Alpine Geophysics; Pam Milmoe, Boulder County Department of Health; Simon Montague, DRCOG; Karen Murphy, Corestream Health Inc.; Jeremy Nichols, Rocky Mountain Clean Air Action; Curtis Reuter, Noble Energy; Steve Rudy, DRCOG; Jeff Schwarz, DSMB; Jim Shaw, Wagner Equipment; Jay Sherritt; Don Smith, Suncor Energy; Paul Tourangeau, APCD; Scott Wagner, Wagner Equipment; Sabrina Williams, Denver Environmental Health;

The meeting was called to order at 3:10 p.m. by Chairman Andy Spielman. A quorum was present.

Approval of Agenda and Minutes

Jim Martin moved to approve the agenda. Seconded by Nancy Severson. Motion passed without objection.

Jim Martin moved to approve the minutes. Seconded by Theresa Donahue. Nancy Severson had some clarifying language changes, which were acceptable to Jim and

Theresa. Motion passed with changes and without objection.

Informational Items

Chairman

Andy Spielman thanked staff and Board members who attended the ozone public meetings. He reminded everyone that the next board meeting will be on Monday, September 8 at 2:30 p.m.

Executive Director

None.

Committees

None.

Members

None.

Public Comment

Sabrina Williams, Denver Environmental Health, asked if the Technical Support Document (TSD) will include responses to technical issues brought up during the stakeholder process. She further asked that the TSD be publicly available prior to the AQCC process.

Ken Lloyd responded that APCD staff, who is taking the lead on the TSD, is planning to have it available by the time the proposal is submitted to the AQCC.

Discussion of Regional Transportation Planning Process and Transportation Conformity

Simon Montagu, Director Customer Resource and Support for Denver Regional Council of Governments (DRCOG), presented Council with an overview of DRCOG's Metro Vision 2035 plan and explained how growth and transportation planning are considered through the process. He reviewed the different scenarios that were considered. He explained that through the scenario process they learned that compact development produces better outcomes including better performance on the transportation system, less environmental impact, lower air pollution emissions and less spending on water supply and wastewater infrastructure. Transportation investments can also contribute to desired outcomes, and the cost of driving versus transit influences people's travel behavior.

Steve Rudy, Director Transportation Planning and Operations for DRCOG, provided Council with an overview of DRCOG's transportation planning role. He outlined the Regional Transportation Plan (RTP) elements and the 2035 fiscally constrained RTP. Steve reviewed the sources of revenue and explained the implications of the significant future funding shortfall. Steve then explained that any major project must be included in the fiscally constrained RTP and in the

Transportation Improvement Program (TIP) before it can be funded and implemented. He described how DRCOG's plans are implemented. He said that transportation conformity is a way to ensure that Federal funding and approval goes to transportation activities that are consistent with air quality goals. Transportation conformity applies to long-range transportation plans, short-term TIPs and regionally significant projects. He stated the transportation conformity rule is outlined in 40 CFR Part 93. DRCOG must conduct emissions budget tests, transportation modeling and emissions modeling (through APCD) to show conformity with the emissions budgets included in all State Implementation Plans (SIPs).

Nancy Severson asked what base line is used by DRCOG. Steve Rudy explained that 2005 is used for population and the transportation model is based on a series of time projections into the future.

Theresa Donahue asked if DRCOG had conformity findings for particulate matter and carbon monoxide also. Steve Rudy replied that the information is in the conformity finding document, but not in his presentation for today's meeting. He further stated that current conformity is based on the 1-hour ozone budget and an interim test until the 8-hour ozone budget is set. He informed Council that DRCOG documentation for the public hearing is posted at www.drcog.org.

Nancy Severson asked how the sub-regions would work in this process. Steve Rudy explained that DRCOG amends the plan every six months and therefore has to do a new conformity finding with modeling every time. The North Front Range has its own process which adopts a plan every four years. The two sub-regions allow each area to show conformity and maintain local control. DRCOG and the North Front Range MPO worked together on the interim conformity funding.

Ken Lloyd provided an overview of how motor vehicle emission budgets are established. He explained under Section 176(c) of the Clean Air Act conformity must be shown to a SIPs purpose of eliminating or reducing the severity and number of violations of an air quality standard. Emissions from implementation of transportation plans and programs need to be consistent with estimates of emissions from motor vehicles in the applicable SIP. Ken explained that emission budgets are based on estimates of motor vehicle emissions in the attainment year of the plan. He informed Council that ozone budgets are established for both VOC and NOx. These budgets become effective once they are approved or found adequate by EPA. Ken said these budgets will remain in effect for all future conformity determinations until any revisions are approved by EPA.

Ken outlined the current emissions budgets for which DRCOG and/or the North Front Range MPO must show conformity including: PM-10, Carbon Monoxide, and 1-Hour Ozone for the Denver area; Carbon Monoxide for Longmont; and Carbon Monoxide for the North Front Range MPO in the Fort Collins and Greeley areas.

Ken stressed the importance of using a methodology for calculating motor vehicle emissions and comparing to established budgets that is consistent, reproducible and able to be performed by MPO's and APCD. He explained that the APCD, RAQC, DRCOG, CDOT, NFRMPO and EPA are in the process of reviewing the motor vehicle emission calculations and methodology. Inconsistencies and errors have been discovered that need to be resolved before budgets can be established. He said the budgets would be presented on September 8.

There was discussion on the use of sub-regions. Suzette Mallette, NRFMPO staff, stated there is a Memorandum of Agreement (MOA) between DRCOG, the NRFMPO and others in which parties agreed to use sub-regions for the budgets. Discussion included whether the use of sub-region budgets provided an option to have conformity considered for each region as well as the entire region as a whole. Ken Lloyd explained that it appears that once a region selects its option (ie. sub-regions or entire area) it does not have the option to change. However, he said this issue needs to be clarified with EPA.

Presentation on Control Case Modeling

Dennis McNally, Alpine Geophysics, presented the 2010 8-hour ozone design value projections and results of 2010 control strategy simulations. He outlined the conclusions, which include:

- SIP Control Strategy reduces ozone at highest monitors (RFNO, FTCW).
- SIP+State Control Strategy has roughly twice the impact of SIP controls alone.
- Both Control Strategies have small local disbenefits in Denver due to the localized disbenefit of NOx reductions, but with wider spread benefits, especially in regions with higher ozone monitors.
- SIP+State Control Strategy shows small disbenefits in Western Slope where 2010 DVf's are below 75 ppb.

Jana Milford asked how the Statewide RICE measures were quantified. Jerry Dilley stated that Curt Taipale for the APCD has worked to quantify the RICE controls based on a set of assumptions. Jana suggested that uncertainty of the Western Slope data should be noted on the maps or in the text of the report.

Public Comment

Curtis Reuter, Noble Energy, asked why the July date was used. Dennis McNally stated it was used for consistency.

Public Comment on Proposed Ozone Action Plan and State Implementation Plan

Jay Sherritt, Engineer, strongly opposed the emission test changes. He stated the MOBILE6 model has numerous issues and the tailpipe test causes hardships on individuals. He believes EPA needs to change the test.

Don Smith, Suncor, stated that Suncor supports the decision to look at the fuel strategies over the next year. Suncor will continue to be involved in the process as it moves forward. He also indicated that Suncor supports the proposed plan.

John Jacus, Davis Graham and Stubbs, indicated he has submitted written comments. He reiterated his request for the RAQC to hold a stakeholder meeting prior to the September 8 RAQC meeting to discuss the source apportionment modeling and weight of evidence. Ken Lloyd indicated staff would schedule another stakeholder meeting.

Pam Milmoie, Boulder County Public Health, expressed her appreciation of the stakeholder process and her frustration that at the end of the process the levels would still be so close to the standard. She said the additional detail in the SIP document was helpful.

Jeremy Nichols, Rocky Mountain Clean Air Action, echoed Pam Milmoie's comments. He stated Rocky Mountain Clean Air Action is concerned that the SIP brings the region just barely below the standard. He believes it would be more beneficial to reduce emissions rather than use a weight of evidence approach. He is worried that effective strategies are being postponed. He indicated he would provide additional written comments. Jeremy said he hopes that staff is working to make sure the SIP is meeting the Clean Air Act.

Discussion of Proposed Ozone Action Plan and State Implementation Plan

Ken Lloyd asked Council if they wanted to review the changes from the previous meeting or address the comments provided by EPA. Council decided to review the EPA comments first. Ken explained that the bulk of the EPA comments can be addressed to make the SIP approvable.

RAQC and APCD staffs are meeting with EPA to address these details. Ken informed Council that the biggest issue is that EPA indicated it would not adopt the 7.8 RVP gasoline limit for the entire nonattainment area. Local EPA supports the measure but EPA headquarters declined to pursue this option. EPA also indicated that the State cannot adopt 7.8 RVP because it is not a boutique fuel. Ken said this issue needs to be further pursued with EPA.

Jim Martin expressed his displeasure with EPA's decision and indicated the Governor will likely send a letter to the Regional Administrator expressing our deepest disappointment in EPA's inability to handle this rulemaking which would allow the measure to be included in the SIP. He said he would be recommending to the Governor that the measure be included in the SIP and that EPA should be expected to do the rulemaking required expeditiously.

In response to Council questions regarding EPA's reasons for not allowing the 7.8 RVP, Ken replied that based on conversations with EPA headquarters and regional staff, EPA may not want to set a precedent that could affect other areas. EPA may also be looking for new national fuels standards to be set. He said this issue needs to be raised to a higher level.

Mark Johnson asked for clarification of the SIP process. Ken outlined how the SIP moves forward. After the RAQC approves SIP and proposes it to the AQCC, the AQCC conducts its hearing process, approves the plan and regulations and submits the SIP to the Legislature as a report. The Legislature can decide to review the plan or not; if they decide do nothing the SIP is deemed approved on February 15 and goes to the Governor. If the SIP is selected for review by the Legislature, it would follow the regular legislative protocol and any bill would go to the Governor for signature. The Governor submits the SIP to EPA.

Jim Martin informed Council that he has met with the Governor and his staff to keep them apprised of the SIP status and they are committed to moving the process forward. Jim noted that the current General Assembly members have not been involved in a SIP review process and CDPHE is putting together a strategy to brief them on the process before and during the legislative session.

Jana Milford asked when the Technical Support Document (TSD) and Weight of Evidence (WOE) Analysis would be available. She expressed her dissatisfaction with the prospect of adopting recommendations without having the WOE analysis complete or the performance evaluation completed and presented. She is concerned that the WOE analysis not be designed to support only what is recommended and stated it should be an objective WOE. In response, Ken Lloyd said the APCD and RAQC staffs are working to have the WOE before the September 8 meeting. The APCD staff is working to make the TSD available for the AQCC hearing request on September 18.

There was discussion as to whether the TSD would include responses to public comments. Jerry Dilley explained that while there has not been a specific response to individual comments, comments have been considered, addressed, and, where appropriate, incorporated during the development of the document and modeling analysis. Ken Lloyd stated the APCD has posted comments from the stakeholder process, especially regarding the regulations, on their website which is linked to ozoneaware.org.

Jim Martin suggested Council hold September 15, 16, and 17 dates as potential dates to review the TSD. Ken Lloyd reiterated that Council also will have the opportunity to make changes to the SIP after September 8 through the AQCC process.

Council addressed some additional clarifying language changes to the SIP document. Staff will provide Council with a redline version for the September 8 meeting.

Ken summarized the tasks to be completed before the September 8 meeting:

- Schedule a stakeholder meeting to discuss WOE and Source Apportionment
- Complete WOE - estimated completion date August 30, 2008
- Conduct discussions with EPA staff on their comments
- Conduct discussion with transportation partners on budget issues
- Contractor to finalize model evaluation report
- Update SIP document

Nathan Rabinovich asked how Council will be able to move beyond the SIP and towards meeting the 75 ppb standard. Ken Lloyd indicated funding is available for the next round of modeling, including the 2010 runs may need to be re-run during the AQCC process and future 2015/2020 baseline modeling runs. However, additional funding will be needed beyond those tasks.

Adjournment

There being no further business before the Council, the meeting was adjourned at 5:20 p.m.