

State of California
AIR RESOURCES BOARD

Summary of Board Meeting
November 15, 2001

California Environmental Protection Agency
Air Resources Board
Central Valley Auditorium, Second Floor
1001 I Street
Sacramento, California

MEMBERS PRESENT: Hons. Alan C. Lloyd, Ph.D., Chairman
Dr. William A. Burke
Joseph C. Calhoun, P.E.
Doreen D'Adamo
Mark J. DeSaulnier
C. Hugh Friedman
William F. Friedman, M.D.
Matthew R. McKinnon
Barbara Riordan

AGENDA ITEM #

01-9-1 Public Hearing to Consider the Adoption of a Regulation to Establish a Distributed Generation Certification Program and a Guidance for the Permitting of Electrical Generation Technologies

SUMMARY OF AGENDA ITEM:

Staff presented two items to the Board to satisfy the requirements of Senate Bill (SB) 1298: proposed uniform emission standards and certification requirements for electrical generation technologies that are exempt from air district permit requirements; and proposed guidance to the air districts on the permitting of electrical generation technologies that are subject to their regulatory jurisdiction.

SB 1298 focuses on electrical generation that is located near the place of use, and defines these sources as "distributed generation" (DG).

After January 1, 2003, all new DG units must be certified by the Air Resources Board (ARB) or permitted by an air district before being sold, leased, or used in California. A proposed DG unit that is

exempt from the air district's permit requirements must be certified by the ARB to prescribed emission standards. If a proposed unit is subject to the district's permit requirements, it need not be certified by the ARB before it is sold, leased, or operated in that district. The guidance document will provide assistance to the districts in making permitting decisions for these DG units.

The staff's proposal for the certification program that was presented at the hearing contained revisions to the original proposal released on September 28, 2001. The revisions modified the method for averaging the emissions testing results, modified the proposed combined heat and power provision for 2007, and addressed a number of minor clarifications.

The staff's proposal for the district guidance that was presented at the hearing contained minor changes to the original proposal released on September 28, 2001.

ORAL TESTIMONY:

Loren Kaye	Plug Power
Ralph V. Ordonez	Solar Turbines, Inc.
Susannah Churchill	CALPIRG
Stan Zwicker	Bowman Power
Sheryl Carter	Natural Resources Defense Council
Todd Campbell	Coalition for Clean Air
Bonnie Holmes-Gen	American Lung Association of CA
Valerie Gates	Sierra Club
Eric Wesselman	Sierra Club
Martha Arguello	Physicians for Social Responsibility
S. N. Prakash	STM Power Inc.
Tim French	Engine Manufacturers Association
Chuch Solt	Catalytica Energy Systems
Karl Stoffers	Citizen
Joan B. Lee	Citizen
Mohsen Nazemi	South Coast Air Quality Management District
Bud Beebe	Sacramento Municipal Utility District

FORMAL BOARD ACTION:

The Board unanimously approved Resolution 01-49 adopting the proposed distributed generation certification program with staff's modifications.

The Board unanimously approved Resolution 01-50 approving the guidance for permitting electrical generation technologies with staff's modifications. The Board also directed the staff to revise the guidance to make it more consistent with ARB's existing permitting

guidance for larger power plants. In addition, the Board directed the staff to revise the guidance to provide flexibility to districts in establishing emission limitations as enforceable permit conditions.

RESPONSIBLE DIVISION: SSD

STAFF REPORT: Yes (for the Distributed Generation Certification Program)

01-9-2 Public Hearing to Consider the Adoption of Amendments to the Low-emission Vehicle Regulations, Including Particulate Standards for Gasoline Vehicles, More Stringent Emission Standards for Fuel-fired Heaters, and Administrative Revisions

SUMMARY OF AGENDA ITEM:

The staff proposed amendments to the California Code of Regulations (CCR), title 13, sections 1960.1, 1960.5, 1961 and 1962, and to the emission standards and test procedures incorporated by reference in those sections. The proposed amendments change the Low-Emission Vehicle II (LEV II) regulations to require that gasoline vehicles meet particulate standards, currently only applicable to diesel vehicles. They also require multi-fuel vehicles to certify to super-ultra-low-emission vehicle (SULEV) standards on both gasoline and the alternative fuel in order to qualify for partial zero-emission vehicle credit. A number of administrative amendments designed to clarify and/or update the various test procedure documents were also proposed.

Fifteen-day changes proposed by staff at the Board hearing included retaining the requirement that fuel-fired heaters used in zero-emission vehicles meet ultra-low-emission vehicle standards when tested between 68-86°F. Staff had proposed to require them to meet SULEV standards when tested at 40°F. A second fifteen-day change modified the non-methane organic gas fleet average requirement for independent low volume manufacturers to ease the certification burden for these manufacturers. (An independent low volume manufacture is one that sells between 4,500 and 10,000 vehicles in California each year.)

ORAL TESTIMONY:

Greg Dana	Alliance of Automobile Manufacturers
Pete Hardigan	Ford

FORMAL BOARD ACTION:

The Board approved Resolution No. 01-51 by a unanimous vote.

RESPONSIBLE DIVISION: MSCD

STAFF REPORT: Yes (38 pages)

01-9-3 Public Hearing to Consider Amendments to Title 17 of the California Code of Regulations (CCR), Section 94006 – Defects Substantially Impairing the Effectiveness of Vapor Recovery Systems Used in Motor Fueling Operations

SUMMARY OF AGENDA ITEM:

Staff recommended that the 12 defects now listed in title 17, CCR, section 94006 (a) through (j) be repealed from the regulation and the document titled "Vapor Recovery Equipment Defects List Title 17 Update" be adopted in their place with 15-day changes. Also, due to the enormous amount of change expected in the vapor recovery field as new enhanced vapor recovery (EVR) systems are certified and the now existing pre-EVR systems are decertified, staff recommended that the Board affirm its intent that the Executive Officer make changes to the section 94006 list as appropriate in accordance with the procedures specified in section 41960.2(c) of the HSC.

Equipment defects substantially impairing the effectiveness of vapor recovery systems used in motor fueling operations are now identified in title 17, CCR, section 94006 and other documents certifying the systems. Assembly Bill 1164 changed the California Health and Safety Code to require the ARB to list any known vapor recovery equipment defect and to review the list every three years or upon a written request that demonstrates, to the Executive Officer's satisfaction, that such a review is needed.

Local air pollution control districts and air quality management districts are responsible for enforcing vapor recovery violations involving equipment defects and performance test failures. When a district determines that a component contains a defect specified on the defects list, the district must remove the defective equipment from service until it has been replaced, repaired, or adjusted. If a component is not in good working order but is not degraded to the extent specified on the list or is malfunctioning in a manner not listed, the district has other enforcement options. Being on the list requires that the defective component be removed from service.

Overall, the proposed amendments are not expected to impose an unreasonable cost burden on gasoline dispensing equipment manufacturers, component suppliers, or gasoline dispensing

facilities (GDFs). Most of the major manufacturers are located outside of California although some may have small operations in the State. GDFs are local business by nature, and all affected GDFs are California-based.

The proposed amendments are mainly a listing of known equipment defects identified by ARB in existing executive orders and currently enforceable by the districts. A concise reference for detection of vapor recovery equipment defects helps to ensure uniform enforcement across the State and provides preventative maintenance guidance for service station operators. A greater understanding of the defects for vapor recovery systems will reduce the need for more stringent standards in the future, thereby lowering the compliance costs to California operators.

ORAL TESTIMONY:

Rosa Salcedo	CAPOCA
Donald Gilson	Chevron
Maryann Gonzalez	British Petroleum
Sandra Duval	CIOMA
Skip Orr	Husky Corporation

FORMAL BOARD ACTION:

The Board approved Resolution No. 01-52 by a unanimous vote.

RESPONSIBLE DIVISION: CD

STAFF REPORT: Yes (31 pages + appendices)

01-9-4 Public Meeting to Consider Research Proposals

The Board approved Resolution Nos. 01-53 and 01-54 by a unanimous vote.