Air Quality Control Advisory Council Meeting Notes March 26, 2012 @ 8:15 am

MDE Headquarters—Aqua and Terra Rooms, 1st Floor 1800 Washington Boulevard Baltimore MD 21230

AQCAC MEMBERS PRESENT

John Quinn

Ronald White

John Britton

Lorne Garrettson

Bill Cunningham

Andrea Bankoski

Kevin Barnaba

Ross Salawitch

Larry Schoen

John Kumm

Kip Keenan

AQCAC MEMBERS ABSENT

Sue Garonzik

Donald Moore

Sanie Amr

VISITORS

Elena Constantine, MWCOG/TPB

Theresa King, BGE

Todd Lang, BMC

Regina Aris, BMC

Sara Tomlinson, BMC

Charles Baber, BMC

Barry Miller, Redland Brick

Rob Sawyer, ERM

David Cramer, Gen On

Hank Staniszewki, Gen On

Scott Overland, Gen On

David Mahler, MITA

Kirk McKauley, WMDA

Ray Bourland, PHI

Howard Simons, MDOT

Pete Horrigan, MAPDA

Drew Cobbs, MPC

PARTICIPANTS VIA PHONE

Brian Rehn, EPA

Cristina Fernandez, EPA

MDE-ARMA

Tad Aburn

Diane Franks
Randy Mosier
Deborah Rabin
Katy Perry
Carolyn Jones
Mary Jane Rutkowski
Husain Waheed
Kathleen Wehnes
Eddie Durant
Liz Entwisle
David Krask

This is a summary of the March 26, 2012 Air Quality Control Advisory Council Meeting and serves as a record of the Council's vote on regulatory action items. The meeting is recorded and the digital file is maintained by MDE/ARMA. This digital file is considered public information and may be reviewed in its entirety by anyone who is interested in the details of the discussions.

MEETING OPENING/OPENING REMARKS

Chairman Quinn opened the meeting with introductions of members and visitors. Tad Aburn noted that the State recently completed a draft of the Greenhouse Gas Emissions Reduction Plan, and briefly introduced topics that would be discussed later in the meeting.

Motion to approve meeting minutes from the December 12, 2011 meeting of the Council was made by John Quinn and seconded by Larry Schoen. All members present voted in favor.

PRESENTATION, DISCUSSION, AND ACTION ON REGULATIONS

<u>COMAR 26.11.01 and 26.11.17: New Source Review for PM_{2.5}</u>

Diane Franks presented on New Source Review (NSR) for $PM_{2.5}$, a preconstruction permitting program aimed to ensure that air quality is not significantly degraded from the addition of new and modified factories, industrial boilers and power plants. The regulation also ensures citizens that any large, new or modified industrial source in their neighborhood will be as clean as possible. EPA has revised the NSR to incorporate criteria for fine particulate matter ($PM_{2.5}$) into the requirements; therefore Maryland is incorporating these requirements into State regulations.

Ronald White asked about the consideration of VOCs and ammonia as precursors. Diane Franks responded that analysis concluded that neither has a large effect, and said that the Department will send the Council related literature.

Dr. Salawitch noted that the PM-10 and PM2.5 "significance thresholds" in the PPT were different than those in the regulation. Mrs. Franks said that the thresholds in the regulation were correct.

Dr. Lorne Garretson raised a question regarding the source of the $PM_{2.5}$ threshold. Diane Franks replied that the $PM_{2.5}$ threshold comes from the 2009 Federal Regulation, and that the significance levels in the proposed rule for $PM_{2.5}$ come directly from the Environmental Protection Agency (EPA). Ronald White noted that EPA has missed the five year deadline to review its PM standards. Tad affirmed that the Department is involved in the resulting litigation. John Quinn asked for clarification on Maryland's level of attainment. Diane Franks and Tad Aburn explained that we are not in

attainment in the central counties, but that MD is measuring attainment overall. Maryland does not plan to apply for redesignation for the PM2.5 standard because a stricter standard is imminent.

Larry Schoen asked if the $PM_{2.5}$ significance levels are driven by the 24-hour or annual standards. Diane Franks said that she did not know which one weighs more heavily, and that it is most likely the levels were derived to be protective of both standards.

Motion to approve this action was made by Ross Salawitch and seconded by John Britton. All members present voted in favor.

COMAR 26.11.04 Ambient Air Quality Standards

Kathleen Perry presented on the updates to Maryland's Ambient Air Quality Standards for particulate matter, sulfur dioxide, nitrogen dioxide, ozone, and lead. All five standards are being updated to incorporate the federal standards set by EPA, which have become more stringent in order to better protect public health.

Debbie Rabin informed the Council that MDE had just received comments from EPA that provided guidance on adopting the National Ambient Air Quality Standards (NAAQS) as amended. Debbie further indicated that the Department will make amendments to the regulations to effectively accomplish this goal. No revisions would be made to the standards as Maryland is simply adopting the federal standards.

Larry Schoen asked why PM-10 is still listed in Maryland's ambient air quality standards. Mrs. Rabin explained that EPA told Maryland not to remove PM-10 because other areas of the country are not in attainment for that standard.

Regarding monitoring requirements for NO2, John Britton asked how many monitors Maryland currently has, and whether it might be more appropriate to have monitors in areas where stop and go traffic occurs. Dave Krask, Program Manager of the Air Quality Monitoring Program, explained that the Department currently has four monitors, and more will be added. He explained that NO2 is a problem near roadways and that near-road NO2 monitoring will be performed starting not later than January 1, 2013 and PM 2.5, ultrafine particulate, CO and black carbon will also be measured at the near road sites. He explained that although truck emissions are high when idling, both trucks and cars emit more NOx at high speeds than when at idle. Diane Franks added that emissions are high at low speeds, decrease at speeds around 30-40 MPH, and increase again at 60 MPH. John Britton asked if we could anticipate higher NO2 levels when new monitors are installed. Dave Krask said that we do not expect to see violations, but may see slight increases in some areas. Regarding the new ozone standard, Kip Keenan asked if Maryland sources will bear the burden of meeting the new requirements despite the amount of pollution that comes from transport from other regions. Mr. Aburn explained that the Baltimore area may be classified as the worst ozone area east of the Mississippi under EPA's new designation. Maryland will likely bear the burden of having to further control emissions, and mentioned the Governor's proposal for EPA to hold States accountable that contribute to ozone in Maryland. Ronald White stated that EPA's revised lead standard is still too high in terms of human health. Mr. Aburn mentioned that the Tier 2 Federal Car Program has reduced NOx significantly since 2005. Tier 3 will go even further and is based on California standards. Mr. Aburn also added that California and Europe use low sulfur fuels and that the East Coast of the U.S. has not done so yet, and admittedly the timing may be off as fuel prices are currently on the rise.

This action was approved by the Council with the understanding that further amendments will be made to this regulatory action to respond to EPA's suggestions just received to prospectively adopt future amendments to the NAAQS. Motion to approve was made by Ross Salawitch and seconded by Kip Keenan. All members present voted in favor.

NONVOTING ITEMS:

UPCOMING REGULATIONS:

Transportation Conformity

Tad Aburn presented on a proposed, future amendment to Maryland's Transportation Conformity regulation. The amendment would establish aspirational budgets for NOx and CO2 and further require affected sources to prepare reports detailing progress towards meeting the budgets.

John Britton asked if NO2 is part of Conformity. Diane Franks responded that the Department will research this question and respond to the Council as soon as possible. Todd Lang of the Baltimore Metropolitan Council (BMC) expressed concern due to the difficulty of meeting the 10% reduction. He spoke about California's experience with SB 375, explaining that San Diego's report in response to SB 375 resulted in a law suit by environmental groups. He stated that EPA's March 2011 report shows that using a bundle of measures, which includes transit fee reduction, land use changes, and parking fees, will only lead to a 6% reduction in NO_x by 2040. He expressed concern regarding putting out a report that is vulnerable to law suits. He expressed the need for the Department to coordinate further with regional organizations since they have to implement the targets. He also noted that Maryland would have a short time frame for its report, especially compared to the multi-year effort that took place in California, including a year and a half to set targets. Mr. Aburn explained that the pollution reduction targets will be voluntary, acknowledged that the targets may be ambitious ("stretch" targets) and that the Department plans to work with stakeholders as the process moves forward. He stated that there are no consequences for not meeting the target reductions and that if targets were set by the Legislature, the targets would likely be mandatory. Mr. Britton mentioned the important link between transportation and land use issues. Ross Salawitch asked if this action will address VOC. Mr. Aburn said that MDE has received this comment, and that although NO2 and CO2 are the dominant pollutants we will also be looking at ozone.

Elena Constantine from the Metropolitan Washington Council of Governments (COG) asked when there will be more guidance on calculations for the targets. Mr. Aburn stated that this is only a state requirement. It will not change the federal Conformity requirements and that the Department will have a stakeholder process for this regulatory action. Ms. Constantine asked at what point details will be provided regarding the calculations to establish the targets. Mr. Aburn stated that for NOx they will be 10% below where the technology gets us and for CO2, they will be 90% by 2050.

Ronald White praised the Department's forward thinking. Ross Salawitch agreed with this sentiment, but also expressed concern that linking NO2 and CO2 may result in difficulties with meeting the more challenging CO2 reductions. In other words, by linking the pollutants in the goals, if one fails, it may hold up the other. Tad responded that the 90% goal in fact aggressive and considered an aspirational goal, and that the Department welcomes further input as this process moves forward.

Larry Schoen asked if this rule could affect Federal agencies (i.e. NSA and DOD). Tad Aburn and Diane Franks explained that it depends on the situation; for example, when base realignment occurs, there is a need for additional road building, but Federal funding may not be provided.

Stage II Vapor Recovery

Tad Aburn presented on EPA's widespread use of onboard refueling vapor recovery (ORVR) and Stage II Vapor Recovery Waiver proposal. EPA's program encourages states to repeal Stage II regulations when widespread use of ORVR is prevalent in state fleets which is expected by June 30, 2013. He emphasized that many questions remain unanswered and challenges for nonattainment areas in the Ozone Transport Region need to be addressed such as the fact that when ORVR and the Stage II systems we have in Maryland operate together, a reduction in benefits occurs which can be up to a 10 percent decrease (loss of benefit) from what either system would achieve alone. He stated that EPA projects that the amount of reductions achieved by ORVR alone would equal the amount of reductions achieved by Stage II for the fleet of gasoline vehicles when about 77% of the fleet is equipped with ORVR.

Mr. Aburn stated that Maine, New Hampshire and Vermont have transitioned through their regulations. But the Baltimore area may soon be the worst ozone nonattainment area east of the Mississippi River with the new designations. He also noted that large trucks, motorcycles, lawn and garden equipment and gas cans do not have ORVR.

Lorne Garretson asked about the role that fleet ages in different counties may play. Tad said that this factor is not likely significant as Stage II vapory recovery systems are only in place in the central part of the state that is nonattainment for ozone. Ronald White asked if Stage II vapor recovery also reduces people's exposure to toxics. Tad responded that that it does in fact reduce exposure to vapors and benzyne, and that we will be looking further into the relationship between toxics and vapor recovery. He noted that exposure to toxics is more significant with refueling of items such as gas cans and lawn equipment. Husain Waheed pointed out that California continues its use of Stage II Vapor Recovery due to toxics. Pars Ramnarain stated that there are differences in the Stage II systems used by Maryland and California. Ross Salawitch asked if we can keep Stage II in effect for large trucks in centralized locations. He also asked if lawn and garden equipment and gas cans can be refueled at specific locations with Stage II vapor recovery. Mr. Aburn said that we have received a similar comment and will be looking at such issues.

Brian Rehn from EPA responded to Tad's presentation, explaining that not all ORVR systems are incompatible with Stage II; only the early systems or ones that were not redesigned are incompatible. EPA does not see incompatibility as leading to a significant reduction in efficiency. Mr. Rehn stated that it will probably lead to a 10% decrease in control efficiency. For ORVR systems, EPA assumes 98% efficiency, while there is a bigger range for effectiveness in Stage II systems (60-78 % efficiency), which is impacted by factors such as enforcement. He stated that EPA is still in the proposal phase for the ORVR Rule and that it will most likely be finalized in the May-June timeframe of 2012, and that guidance will be provided during the summer. EPA will work on issues such as backsliding and comparability. MDE did a study in 1990's, which may suffice for the upcoming analysis, or it may need to be readdressed.

June 2013 is the date, based on national fleet estimates, when EPA expects widespread use to be in effect. States can elect to keep the program in place longer, or declare widespread use earlier. SIP

submission will be required to demonstrate comparable measures and non interference before programs can be removed legally.

Ronald White asked Mr. Rehn if EPA did an air toxics analysis which Mr. Rehn responded that EPA did not release a report on this issue, but has taken note of that co-benefit provided by Stage II. He pointed out that most of the toxics will be taken care of with the capture of VOCs, though some of the opportunity to capture VOCs and toxics may take place at stations that are not currently covered by Stage II due to the threshold requirement.

Drew Cobbs of American Petroleum Institute asked about the reaction to NE states withdrawing from use of Stage II equipment. Mr. Rehn said that EPA has not taken any action yet and that they will need comparability demonstrations in order for programs to be eliminated in any State, otherwise those states are in violation of the Clean Air Act. Mr. Aburn added that we look forward to reviewing EPA's guidance and will form a stakeholder process as we move forward.

BRIEFINGS:

Greenhouse Gas Emissions Reduction Plan

Brian Hug presented on Maryland's Greenhouse Gas Reduction Plan. The Plan details the various programs Maryland State agencies will employ to meet emission reduction goals while providing a net economic benefit for the State.

Mr. Salawitch stated that he understands that the RGGI program has not been as successful as expected due to the lack of growth in the economy when compared to "business as usual" growth. He also asked why not mandate home energy audits when homes are inspected for sale. Mr. Hug said that this is being investigated but that there would be an extra cost added to the cost of the inspection. Mr. Salawitch said it would only be \$100 and that this concept should be added to the Plan.

Mr. Quinn asked for an overview of the logistics. Mr. Hug explained that the draft plan was completed two weeks ago and that the comment period will close in mid-August.

Emissions Inventory

Roger Thunell presented on Maryland's emission inventory requirements and covered Clean Air Act requirements, sources covered, and emission inventories for the various sectors. He explained that the inventories focused on criteria and toxics emissions.

Mr. Salawitch asked when the 2011 emissions inventory will be ready. Mr. Thunell responded that it will most likely be complete by December 31, 2012, and be released to the public in May 2013. He stated that the last 3 year inventory was the 2008 inventory. Mr. Salawitch asked to what degree the Department coordinates with other states on its inventory. Mr. Thunell explained that EPA has work groups that help with consistency.

Future AQCAC Meeting Dates:

Monday, May 14, 2012 Monday, September 10, 2012

Monday, December 3, 2012

The meeting adjourned at 11:25 a.m.