



**Minutes for the GHG CEQA Significance Threshold
Stakeholder Working Group #11
Wednesday, May 27, 2009
SCAQMD, Room GB, 10:00 AM – 12:00 PM**

1. Welcome and Introductions

Dr. Elaine Chang, Deputy Executive Officer of SCAQMD's Planning Rule Development and Area Sources Division, called the meeting to order at 10:15 A.M. and asked for self introductions of the working group members and SCAQMD staff. Dr. Chang then presented an overview of the meeting agenda.

2. Status of the Residential/Commercial GHG Significance Threshold Survey

Mike Krause, SCAQMD Air Quality Specialist, provided an update regarding the status of the residential/commercial GHG significance threshold survey. Mr. Krause indicated that a total of 285 projects are currently in the data set. These projects have been surveyed and categorized according to land use type:

- 29 residential
- 84 commercial
- 61 industrial
- 53 mixed use
- 58 general plans (will not be evaluated)

Raw data were collected and compiled from the CEQA documents surveyed. Any projects that did not quantify GHG emissions are currently undergoing an URBEMIS modeling analysis to obtain GHG data. Based on previous concerns raised by the working group that the sample size was too small, SCAQMD requested CEQA project data from the Bay Area Air Quality Management District (BAAQMD). Mr. Krause indicated the BAAQMD's consultant performed a survey of the OPR database and collected data for approximately 1,900 CEQA projects. An URBEMIS analysis was conducted for each project. The BAAQMD provided their database to the SCAQMD for approximately 470 Bay Area projects between 2007 and mid-2008. A sample of the BAAQMD projects were re-run using the URBEMIS model and SCAQMD defaults to determine if a linear scaling factor could be identified, reflecting local VMT, fleet mix, etc. If a scaling factor could be identified it could be applied to the remaining projects in the dataset rather than running the URBEMIS model for each project. However, the modeling results from the subset of projects, demonstrated that no consistent scaling factor could be determined. Mr. Krause recommended that the following future tasks be conducted to complete the survey:

- Re-run URBEMIS on the 470 BAAQMD projects using SCAQMD defaults
- Run URBEMIS on the approximately 25 NOE projects provided by San Bernardino County
- Perform a CEQAnet search for a representative sample of NOE projects in Los Angeles, Orange and Riverside counties

- Run URBEMIS on the CEQAnet NOE projects
- Depending on funding, run CEQAnet to identify additional CEQA projects in the District and run URBEMIS
- Perform statistical analysis of the expanded dataset to identify GHG emissions 90th percentile.

Comments/Questions on the Residential/Commercial GHG Significance Threshold Survey

- A working group member questioned why we are using projects in the Bay Area? Dr. Chang responded that it was suggested by the working group as a means of expanding the database, as well as capture smaller projects. Bay Area projects are typically smaller than those in the South Coast district because the Bay Area is generally already built out.
- There was additional concern regarding the differences between Bay Area and South Coast projects. Dr. Chang reiterated that our intent was to take Bay Area projects and analyze them through URBEMIS using the South Coast region defaults.
- It was suggested that because projects in the South Coast Air Basin are typically larger than Bay Area projects, SCAQMD staff should consider pulling building permits within the South Coast region to supplement the project inventory.

Another working group member was concerned that we would be comparing “apples to oranges” if building permits were pulled. Further, building permits and CEQA documents should not be looked at together because the project information might be different because what is evaluated under CEQA is not always what is eventually approved and built. There is also the possibility that reviewing data from the CEQA document and the permit may inadvertently result in double counting projects. Either CEQA documents or permits should be evaluated exclusively for the survey, not both.

One working group member clarified that only statistical numbers of building permits issued per month could be obtained and not specific descriptions for each building permit. Thus, the building permit information will not be useful for this exercise other than to have a better idea of the number of monthly projects where permits are pulled and approved.

- A working group member asked how is the SCAQMD dealing with emissions from electricity usage when running projects through URBEMIS, which does not calculate electricity emissions? Dr. Chang responded that staff is not addressing electricity at this time; however, staff’s intent is to derive a rule-of-thumb value for indirect emissions from electricity consumption, similar to the approach taken by CARB for its interim industrial GHG significance threshold.
- A question was asked regarding whether or not the 90 percent GHG emissions capture rate for significance applies to the Tier 4, compliance option #1? Dr. Chang responded that Tier 4 is a performance standard and the GHG emissions capture rate is the approach used to develop the Tier 3 threshold, which is a bright line threshold.

- A comment was made that SCAQMD staff should more assertively request that local cities and counties provide project information. However, a working group member stated that it is very difficult for cities/counties to provide project information because resistance from project proponents due to the potential for actions/violations. Instead, SCAQMD staff should consider other routes to obtain project information such as utilizing university research/grad students for gathering project information. Another working group member commented that UCI has an excellent Urban Development program and Cal State Fullerton has an excellent Economics program and may be willing to help.
- The OPR representative on the working group member stated that she could provide data on EIRs and Negative Declarations (not Notices of Exemption) for projects by county from the State Clearinghouse database. Notices of exemption could potentially be provided by the County Clerks of the four district counties. There was consensus among several working group members that using these data would be a more accurate approach.
- It was questioned why we are focusing on a 90 percent capture rate? Dr. Chang responded that we are looking to develop a curve of documents/projects and GHG emissions, then we can decide what the appropriate capture rate should be.
- A working group member commented that SCAQMD staff should focus on square footage/number of unit distributions as a means of comparing residential projects to commercial projects. The working group member demonstrated experience with evaluating projects using this method and would be willing to advise SCAQMD staff regarding this approach.

3. Status of Other GHG Programs in California

San Joaquin Valley Air Pollution Control District (SJVAPCD)

Dr. Chang presented an overview of the recent SJVAPCD GHG proposal. This proposal focuses on the utilization of a “Best Performance Standard” (BPS) and constitutes a streamlined zero threshold approach. Under this program, all projects would be required to implement BPSs (which have not yet been developed) or reduce GHG emissions by 29 percent from business-as-usual (BAU). Industrial projects would be required to comply with ARB GHG measures and any applicable GHG rules. Development/transportation projects would be required to comply with adopted GHG reduction plans.

Comments on SJVAPCD Proposal

- Many working group members questioned what SJVAPCD means by BAU. Dr. Chang responded that they did not specify what BAU was in their proposal. Several members commented that BAU should be defined.
- One working group member reported that the Attorney General's office had expressed approval for using BAU as a benchmark for measuring the significance of an individual project. No representative of the Attorney General's office was present at the workshop

to verify the claim. After the workshop, however, staff obtained clarification from the Attorney General's office that they had, in fact, not taken this position.

- A working group member commented that the SJVAPCD proposal does not appear to require lead agencies to quantify GHG emissions in their CEQA documents. Dr. Chang responded that the proposal does not preclude quantifying GHG emissions.
- A working group member stated that many environmental groups are concerned about the SJVAPCD proposal and that performance standards should be used along with other measures to achieve the specified GHG emission reduction objective.
- A statement was made that an approach related to CEQA Guidelines §15064(h)(3) should be pursued that will act as a bridge to SB 375.
- A working group member commented that SB 375 does not exempt conducting a GHG analysis for projects, just for cars and trucks. It was suggested that this is why there should be a uniform, numerical threshold, as there are inherent problems with a BAU approach, such as inflating GHG emission estimates to make it easier to “mitigate” emissions.

Bay Area Air Quality Management District (BAAQMD)

Dr. Chang presented an overview of the recent BAAQMD GHG proposal. This proposal contains a policy goal to reduce statewide development driven emissions to 1990 levels by 2020. The proposal focuses on a plan-based approach for operations and includes extensive analysis of historical development projects project development into the future. A three percent GHG emission reduction “gap” was identified in spite of implementing all applicable AB 32 Scoping Plan measures. The BAAQMD proposal would require future land use projects to be responsible for reducing future GHG emissions to eliminate the three percent gap after implementing all AB 32 measures. The proposal also includes a draft bright line threshold of 1,175 MT CO₂eq (equal to approximately 65 single family units in the Bay Area).

A plan-based approach is also proposed to address future construction GHG emissions, based on an estimate of 400 projects per year between 2010 and 2020. The proposed GHG significance threshold for construction emissions is 10 MTCO₂eq per day.

Comments on BAAQMD Proposal

- A comment was made that 10 MT CO₂eq per day for a construction project is very high, associated primarily with very large projects.
- It was suggested that the BAAQMD proposal lacks proportionality.
- There was a consensus among several working group members that whatever approach is eventually adopted, it should be consistently applied throughout the state.
- A working group member expressed concerns regarding the BAAQMD’s “gap” approach and didn’t understand why CARB’s Scoping Plan does not achieve projected GHG emission reductions through implementing all “feasible” measures. Dr. Chang

clarified that the BAAQMD's proposal is a policy objective to achieve three percent beyond AB 32 and is intended to ensure that each sector is doing its fair share with regard to GHG emission reductions.

4. CAPCOA's GHG Mitigation Measure Evaluation Task

Mr. Krause presented an overview of the California Air Pollution Control Officer's Association (CAPCOA) GHG mitigation measure evaluation task. The scope of work that will be presented to the consultant hired to perform the mitigation measure evaluation will consist of three main tasks:

- Review CAPCOA's final mitigation measure list and (1) identify alternative mitigation measures not included on the list; and (2) evaluate priority ratings to determine if some mitigation measures should be rated more or less effective in reducing GHG emissions.
- Perform a literature search to identify a methodology for quantifying GHG mitigation measure control efficiencies primarily for CO₂, CH₄, and N₂O.
- Quantify mitigation measure control efficiencies and (1) determine if the individual control efficiencies vary based on location; and (2) if the mitigation measures have a range of control efficiencies, identify factors that influence the control efficiency.

Comments/Questions on CAPCOA's Mitigation Measure Evaluation Task

- A request was made to identify active members in CAPCOA? Dr. Chang stated that the SCAQMD can provide a list of the CAPCOA members.
- A working group member asked to be included in the CAPCOA discussions and for CAPCOA to conduct meetings that are open to the public. Dr. Chang clarified that CAPCOA documents that are released are not policy documents that are required to be used, but are reference documents.
- A statement was made that a public process needs to be implemented with CAPCOA for the documents that they release. Dr. Chang clarified that, again, these documents are intended to be utilized as technical reference materials only. Regardless of what CAPCOA does or releases, if an agency chooses to adopt any CAPCOA suggested guidelines, they will need to go through a public process prior to adoption.
- It was questioned whether CAPCOA projects need a Board approval? CAPCOA has a board made up of representatives of the various local air districts. Also, a question was asked regarding how the CAPCOA GHG mitigation measures project was funded? Staff responded that money for the project was contributed by a number of the member agencies.
- A working group member questioned how mitigation measures can be quantified if GHG emissions are not quantified on the front end of a project? It was stated that these mitigation measures need to show a net reduction to demonstrate effectiveness. Dr.

Chang pointed out that these mitigation measures could also be utilized for offsite mitigation.

5. Inventory Subcommittee Report

James Koizumi, Air Quality Specialist for the SCAQMD presented a brief overview of the GHG Inventory Subcommittee that was held immediately prior to the GHG Significance Threshold Stakeholder Working Group.

6. Other Topics

None.

7. Closing Remarks

The next meeting is scheduled for June 24, 2009 in meeting room GB at 10:00 AM.

8. Other Business

None.

MEMBERS PRESENT (15)

James Arnone – Latham & Watkins – *on conference call*

Marcia Baverman for Debbie Stevens – Environmental Audit, Inc. – *on conference call*

Doug Feremenga – San Bernardino County Land Use Planning Department

Kris Flaig for Greg Adams – City of Los Angeles Bureau of Sanitation

Andy Henderson for Mark Grey – Building Industry Association of Southern California (BIA/SC)

Michael Hendrix – Association of Environmental Professionals (AEP)

Shari Libicki – Green Developers Coalition

Daniel McGivney – Southern California Alliance of Publicly Owned Treatment Works

Clayton Miller – Construction Industry Air Quality Coalition (CIAQC)

Bill Piazza – Los Angeles Unified School District (LAUSD)

Terry Roberts – Office of Planning and Research (OPR)

Matt Vespa – Center for Biological Diversity (CBD) – *on conference call*

Carla Walecka – Realtors Committee on Air Quality (RCAQ)

Lee Wallace – Sempra Energy Utilities

Michael Wang for Cathy Reheis-Boyd – Western State Petroleum Association (WSPA)

OTHERS PRESENT (5)

Sue Gornick – British Petroleum (BP)

Vlad Kogan – Orange County Sanitation District (OCSD)

Sung Key Ma – Riverside County Waste Management District (RCWMD)

Adam Moke – City of Los Angeles Bureau of Sanitation

Haseeb Qureshi – Urban Crossroads

AQMD STAFF PRESENT (6)

Elaine Chang – Deputy Executive Officer

Daniel Garcia – Air Quality Specialist

Jeff Inabinet – Air Quality Specialist

James Koizumi – Air Quality Specialist

Mike Krause – Air Quality Specialist

Gordon Mize – Air Quality Specialist