

Mid-Atlantic Diesel Collaborative

Steering Committee Meeting

September 24, 2008

Draft Minutes

The MDC Steering Committee met in Fort Washington, Pennsylvania on September 24, 2008 in conjunction with the MARAMA Board of Directors meeting. All MDC agencies except West Virginia were represented at the meeting.

Steering Committee members and liaisons attending were Mike Dowd-Chair (VA), Bill O'Sullivan (NJ), Cecily Beall, (DC), Jim Thompson (Allegheny County), Ali Mirzakhali (DE), Tad Aburn (MD), Tom Huynh (Philadelphia), and Susan Wierman (Executive Director). Sheila Holman represented Keith Overcash (NC), and Dean Van Orden represented Joyce Epps (PA). Carol Febbo (EPA Region III) represented Judith Katz.

Jayme Graham (Allegheny County), Susan Stephenson, Alice Lutrey, and Julie McDill (MARAMA), and Megan Gould and Paula Krall (EPA Region III) also attended the Steering Committee meeting.

As Chair of the Steering Committee, Mr. Dowd opened the Steering Committee portion of the Board Meeting at about 9:30 a.m. and asked Ms. Stephenson to provide an overview and update on Collaborative activities.

Overview and Update on Collaborative Activities

Ms. Stephenson reminded the members of the role of the Steering Committee and provided an updated list of members. Copies had been distributed of the August 22, 2006 description of the Collaborative's campaign to reduce diesel emissions throughout the region as well as the November 16, 2007 report on Restructuring Options that had come out of a roundtable discussion with stakeholders.

Ms. Stephenson reminded members that the original structure, which included five workgroups (Construction, Freight, Ports/Marine, School Buses, and Urban Fleets) had been modified. The new structure reflected the combination of the freight and ports/marine workgroups into one group focused on Goods Movement. In addition, rather than calling the groups "work groups," they were being called "forums" to reflect their primary role in information transfer and outreach rather than the development or execution of projects.

A brief summary had been distributed describing the activities of the four forums, which are led by EPA and local agency staff. Presentations given at the conference calls were posted on the Collaborative's web site. A handout had also been distributed describing MARAMA's activities in support of the collaborative. This included retrofit projects supported by EPA grant funds, the Collaborative's website, periodic electronic newsletters, an updated brochure and table top display about the Collaborative, and providing information to help Collaborative members develop and collaborate on proposals for DERA funding.

Mr. O'Sullivan commented that New Jersey was working with its ports to try to reduce the impacts of drayage trucks. All ports are concerned about their competitive position with respect to other ports. Mr. Huynh indicated that Philadelphia was working with its port on an emissions inventory and modeling air quality impacts.

Members who had attended the Faster Freight, Cleaner Air conference expressed support for MARAMA's sponsoring this event and hoped that it would be repeated in future years. Bill Jones of EPA Region III had been instrumental in bringing that conference to the East Coast. (It was held in New York City and would likely be repeated there if it was held again.)

EPA Update

Ms. Febbo introduced Ms. Goold and Ms. Krall, who were leading the Construction and School Bus Forums, respectively. Ms. Febbo said MARAMA's support of the website, e-mails, and help getting the word out about the availability of DERA funding to stakeholders were especially helpful. She noted that eventually the forums may end up being multi-region calls that include the entire East Coast.

Ms. Febbo expected that reducing diesel emissions will continue to be a priority for the next administration, and she thought that another year of funding for state grants and competitive projects was likely. She reviewed plans for publicizing the grants.

Mr. Aburn asked whether EPA was assessing the benefits of diesel projects. He indicated that it would be necessary to leverage additional outside funding to have a larger impact. Ms. Stephenson indicated that small reductions that occur in proximity to people are important, even though they may not show up in regional analyses.

Mr. O'Sullivan said he would like a schedule of milestones for the next year of grant funding and suggested that MARAMA begin working now with people who may be interested in applying for DERA funding.

Ms. Wierman asked whether it was worth MARAMA applying for a competitive grant next year. Ms. Febbo indicated that the efficiency of direct funding might favor other grantees, but she said it depended on what other applications EPA received.

Mr. Mirzakhali supported the idea of demonstration grants. He noted that a vendor claims a low temperature filter will work. Ms. Febbo indicated there is support set aside separately for emerging technology and that applications were still being accepted for that.

Approve Participation in Virginia Clean Diesel Campaign

Mr. Dowd expressed appreciation to MARAMA for assistance in developing Virginia's proposal for DERA funding. He moved that the MARAMA Board of Directors authorize Ms. Wierman to sign an agreement with Virginia to help implement the project, which would involve financial incentives for drayage trucks serving the port of Norfolk to install diesel retrofit devices, development of an outreach program to encourage shippers to use Smart Way trucking partners, and a diesel emissions reduction training event. Ms. Beall seconded the motion, which carried without opposition. Mr. O'Sullivan commented that it takes good oversight to make a project like this work and thought that MARAMA participation in this project was appropriate.

Conclusion

There being no further business, Mr. Dowd concluded the Steering Committee portion of the Board meeting at about 10:00 a.m.

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Advice to Executive Director concerning Priorities

Ms. Wierman led a discussion of the status of work on Board priorities for 2008-2009, following a handout that provided brief updates for each item.

Diesel generators and sulfur in fuel were identified as items to be added to the list of important training and workshop topics.

The Board advised that MARAMA should continue to defer to OTC with respect to the initiative to develop a regional position on controls for Industrial, Commercial, and Institutional Boilers.

Ms. Holman, Mr. Aburn, and Mr. Mirzakhilili indicated support for some sort of training on climate change in the spring after EPA issues its draft reporting rule. Ms. Graham noted that two different audiences would be involved in a) calculating greenhouse gas emissions, and b) communicating about climate change.

Ms. Graham indicated that it would be possible to schedule a meeting with both regional modelers and permit modelers, since in many agencies the same people do both types of modeling.

Mr. Mirzakhilili expressed concern about the NARSTO multi-pollutant report and indicated he would try to send Ms. Wierman some comments.

With respect to potential emissions inventory projects, the Board expressed strong support for MARAMA to coordinate collection and assembly of an updated base year inventory for the region. There was also broad support for improving the agricultural ammonia inventory and developing better temporal information about emissions from EGUs and other related units. Other projects were supported to a lesser extent as needed and to the extent that they do not jeopardize completion of other work. There was significant concern that waiting to use a 2008 inventory as the

basis for the next round of SIPs would delay the modeling and control strategy development process too much.

Mr. Dowd asked MARAMA to circulate a copy of the report Ms. McDill obtained from EPA at the concurrent workshop concerning high electric demand day generation.

Mr. Mirzakhilili indicated he would like MARAMA to take a position on the use of distributed generators for peak demand response. Ms. Wierman asked him to prepare a draft position for comment by other agencies. He indicated DNREC would work on a white paper and suggested a letter to PJM.

Ms. Holman asked for information about Maryland's rules on distributed generation.

Ms. Holman advised that MARAMA do further research on the computing power needed to run the SMOKE model and the overall cost of developing that capability.

Approval for Contractor Assistance with Emissions Inventory Projects

Ms. Wierman asked for approval to sign a generic contract for technical assistance with emissions inventory projects, and the members concurred with that approach.

Date for Fall Meeting

The Board asked Ms. Wierman and Ms. Lutrey to arrange the fall dinner meeting for Sunday, October 19 in Phoenix in conjunction with the NACAA Fall Membership Meeting.

Roundtable Discussion

Mr. Aburn said Maryland had adopted the Regional Greenhouse Gas Initiative (RGGI) rule and the first auction would be the day after this meeting. Maryland had also adopted a rule on distributed generation which set emission limits and limits on hours of operation for those participating in demand response programs. Maryland was working on upgrading their opacity rule, and it was a controversial process. A wood boiler rule was under development. The State's Climate Commission had recently recommended mitigation measures.

Mr. Dowd commented that Virginia was tightening its opacity rule, and he expected the process to take several years. Virginia's Climate Commission was also active, and the state was working on rules concerning emergency generators. Virginia had its own cap on EGU emissions and prohibited trading. The Commonwealth was reviewing its air toxics rules as part of a department-wide process concerning risk.

Permit procedures had changed, and the Virginia Air Board was actively reviewing permits.

Mr. Thompson explained the Allegheny County Executive had reviewed the Air Quality Program and had developed an eleven-point program for improvements, including increased pay for engineers and filling numerous vacancies. He noted concern regarding the inventory of emissions of condensable particles, and Ms. Graham commented on the pressure to conduct swift permit reviews. Updated toxics guidelines were to be presented in November, along with results of the Neville Island Study. County asbestos rules were being reviewed with respect to thresholds for demolition of multiple homes.

Ms. Holman had recently been appointed the second Deputy Director of the Division of Air Quality. She announced that Donnie Redmond is the new Planning Chief for North Carolina. Brock Nicholson, the other Deputy Director, would be retiring at the end of December. The Director, Mr. Overcash expects to retire at the end of June. Emergency rulemaking was underway to reinstate the NOx Budget Rule in North Carolina. The Clean Smokestacks rule set annual NOx caps which began in 2007, and SO₂ controls would become effective in 2009. North Carolina was adopting anti-idling rules for heavy duty engines. Due to state legislation on renewable energy, permit applications were expected for poultry waste-fired and wood waste-fired boilers. The state was moving to address toxic emissions from boilers, having done in-house modeling. DENR was preparing a budget request to add staff to address climate change and planning to move into a new building next year.

Mr. Mirzakhilili said Delaware planned to submit its regional haze SIP by early October. He noted plans to regulate direct PM_{2.5} emissions from oil- and coal-fired units. EPA wanted to designate a larger nonattainment area for PM_{2.5} in Delaware than proposed by the State. Delaware's rule governing emissions from emergency generators applied to CO₂ and had been approved as part of Delaware's SIP. Environmental groups argued that this indicated EPA had regulated CO₂ emissions. EPA said that if that's the case, then Delaware should regulate CO₂ emissions under PSD.

Mr. Van Orden reported that Pennsylvania's new acting Secretary of the Department of Environmental Protection was John Hanger, an attorney with a background in energy and environmental issues. A Department-wide committee had been established to consider energy and technology deployment issues, including two staff from the Bureau of Air Quality. The Environmental Quality Board (EQB) approved the Commonwealth's anti-idling rule, which next would go to the Independent Regulatory Review Commission. The legislature was considering a bill that would prohibit local jurisdictions from having anti-idling rules. The EQB approved repeal of the

CAIR rule in order to put the NOx Budget Program back in place. The Bureau's Permits Division included a new Air Toxics Section. The Commonwealth's mercury rule was being implemented, and a companion rule to establish monitoring requirements had been proposed. PPL had filed suit to overturn the mercury rule.

Ms. Beall said the District had hired ICLEI to prepare a baseline greenhouse gas inventory. The District was preparing a sustainability plan rather than a climate action plan. The Division had been posting anti-idling signs and reaching out to tour bus operators. A Washington Post reporter rode along with one of the Division's inspector's last week. The District was reviewing their Title V fees. Half of revenues came from one plant—Pepco's Benning Road plant—that might shut down. A biodiesel facility might be proposed for construction in the District.

Mr. Huynh was pleased that the FAA had committed to an improved take-off and landing and taxi schedule for the Philadelphia airport to minimize inefficiency. Air Management also wanted them to limit take-offs and landings during certain hours. A draft drycleaner regulation was under review. An order prohibited emergency engines from testing during high ozone days from May through September. They could test at night. This might be converted into a rule. A new co-generation unit had been proposed along with a casino.

Mr. O'Sullivan reported that he had lost staff due to retirements as well as transfers to the greenhouse gas program and could not fill their positions. New Jersey had received several proposals for natural gas combined cycle units. Diesel retrofits might be helpful in providing PM offsets for EGU permits. Mr. O'Sullivan commented that he wanted to ensure local benefits. New Jersey's regional haze SIP had been proposed. EPA had threatened to disapprove the Ozone SIP. EPA had not approved a PM nonattainment area based on modeling, and the state is appealing. A hearing was happening in a few days on RACT rules for fourteen source categories. He hoped to adopt the rules by the end of the year, but there might be legal challenges. New Jersey was proceeding to remove the sunset provision from the NOx Budget Rule but did not plan to repeal the remaining CAIR provisions. A new rule prohibited idling at an electrified truck stop facility. The State was considering a broader diesel emissions testing program. He encouraged others to consider tighter controls on VOC emissions from floating roof storage tanks, as proposed by New Jersey.

Meeting Adjourned

All business having been concluded, Mr. Thompson moved the meeting be adjourned. There were no objections, and Mr. Aburn adjourned the meeting at 1:45 p.m.