

UTAH AIR QUALITY BOARD MEETING
March 9, 2005
MINUTES

March Work Sessions. The Board held a working lunch session at 12 noon prior to the March Board meeting to provide members with information on the PM10 Maintenance Plan and the concepts of PSD baseline and increment.

I. Call to Order.

Ernest Wessman, Vice chairman, called the meeting to order at 1:35 p.m. John Veranth was excused.

Board members present:

Jerry Grover	Dianne Nielson	Marcelle Shoop
Jim Horrocks	Richard Olson	Ernest Wessman
Teleconference:	Scott Hirschi	
Executive Secretary:	Richard W. Sprott	

II. Next Meeting.

April 13 at 1 p.m., May 4 at 1:30 p.m.

Due to a teleconference hook-up problem, all of the informational items beginning with VII. were given before the action items during the meeting. The minutes are in the agenda format.

III. Approval of the minutes of January 5, 2005, Board Meeting.

A summary of the changes of the minutes was reviewed. Correction on page 4, item VII. first and second paragraph, the word "recluse" should be "recuse." Richard Olson motioned for the minutes to be approved, Jerry Grover seconded and the Board, with Scott Hirschi on the phone, approved unanimously.

IV. Propose for Public Comment: Amend R307-110-10 and Add a New SIP subsection IX.A.10, PM10 Maintenance Plan for Utah County, Salt Lake County and Ogden City; Repeal and Re-enact R307-110-17 and SIP Section IX.H, Emission Limits. Presented by: Bill Reiss.

Rick Sprott reviewed two letters that had been received from EPA earlier in the week. EPA expressed concerns over a number of issues. Mr. Richard Long, EPA, acknowledged that staff had worked on them, but felt the issues had not been settled and expected the solution with the maintenance plan. Staff intended to do so. Some are in the inventory, modeling and technical SIP and others are separate regulatory issues. After Mr. Sprott spoke with Mr. Veranth this morning, Mr. Veranth suggested that the Board be apprised of the situation and issues. If the Board puts the item out for public comment, staff could then return and provide complete solutions and/or the status of each issue in question.

Dianne Nielson requested that the Board have plenty of time before hand to read all information before the next meeting.

Bill Reiss reviewed the PM10 SIP revision. The proposal addressed the 15 items listed as EPA concerns. The remaining issues will be on the top of the agenda to work out with EPA when the proposal is sent. The plan picks up where the existing SIPs left off. There were nonattainment SIPs for Utah County and Salt Lake County that were promulgated in 1991. In 1994 they were brought into compliance. This is a new plan and demonstrates maintenance of the PM10 standard through 2017. This allows staff to have EPA redesignate those areas back to attainment. It is based on a regional modeling analysis and includes all three nonattainment areas, Salt Lake County, Utah County and Ogden City. It shows compliance with the 24 hour standard. The plan is in two parts. Part A is the PM10 portion of the Utah SIP. Part H is the emission limits of the SIP. Part A explains the narrative that supports the whole SIP revision. It includes the monitored attainment of the standards, discusses the reason for the monitored, explains the administrative approval and the Utah air program in general, and has a modeled demonstration of maintenance, contingency measures and conformity budgets. Part H is the second portion of the Board packet. It deals with emission limits. It will replace the existing Part H of the PM10 SIP. It establishes emission limits for the large sources located in the three nonattainment areas. There are no restrictions reflected in the emissions, only the control strategies, which brought Utah back into compliance with the PM10 NAAQS.

Rick Sprott noted that the larger sources would be the SIP-named sources. Utah County sources and conditions will be the same as the last revision. There may be smaller area sources that will be affected by the general rules that will be described later.

Dave McNeill stated that this was an addendum to the existing SIP. It is documentation of how the rules are bringing Utah into compliance with the standard. It is the rules that regulate the sources.

After several questions and comments, Dianne Nielson suggested that when the proposal goes out for public comment that a copy of the PM10 SIP be included so individuals could understand how the new plan replaces section 9, of Part H.

Mr. Reiss said that staff is requesting an allocation of an additional mobile source budget from the existing safety margin in the plan. EPA has in its conformity rule outlined a process by which the Board can do this. The process will run planning projections of the mobile emissions budget through the air quality model for the prediction and compare it to the standard for PM10. If it is below the standard, a safety margin can be identified between the standard and the highest predicted concentration and it becomes the safety margin. This is allocated toward the mobile vehicle emissions budget. The staff would add some emissions to that budget, run the model again and see once more where the results are compared to the standard. Assuming it is still beneath the standard and maintaining compliance, then it has been demonstrated that there could be an allocation of extra emissions budgets. Staff has finished the exercise and still predicts maintenance of the PM10 standard through the year 2017. The addendum removes the unknowns in the process and includes actual numbers to show the safety margin in the mobile emissions budget. The tables at the end of the addendum show before and after analyses.

Dianne Nielson asked if the safety margin was available as a buffer for area sources and industry sources in staying below the PM10 limit, but not available to major point sources.

Mr. Reiss said that was correct.

There were further comments and explanations from the audience.

Ernie Wessman said that procedurally the Air Quality Board could allow the alternatives to give others an opportunity to comment on the allocation of the safety margin and then choose the path according to the comments.

Jim Horrocks proposed only one alternative vs. two because it would create confusion.

Mr. Wessman asked if any strong objections could delay the proposal and call for revisions and another public comment period?

Fred Nelson, Attorney General's office, stated that if the Board goes out with a proposal and takes comments, the Board would then go forward with the proposal. If the Board revises the proposal and does an alternative, the rule would have to go back out for public comment.

After lengthy discussion, the Board decided to leave in both alternatives to be discussed in public comment.

- Jim Horrocks moved that the Board approve for Public Comment that R307-110-10 be Amended and Add a New SIP Subsection IX.A.10, PM10 Maintenance Plan including the Revisions for Utah County, Salt Lake County and Ogden City, and Repeal and Re-enact R307-110-17 and SIP Section IX.H, Emission Limits and ask specifically that during the comment period for the public to address the preferences for the allocation of the safety margin from mobile vs. other sources.

Jerry Grover seconded and the Board, with Scott Hirschi on the phone, approved unanimously.

- V. **Propose for Public Comment: Amend R307-101-2, R307-165, R307-201, R307-204, R307-205, R307-206, R307-302, R307-305, and R307-310; New Rules R307-207 and R307-306.**
Presented by: Colleen Delaney.

Colleen Delaney explained that there were a number of rule changes that needed to go forward with the PM10 Maintenance Plan to address the transition from nonattainment to attainment. As the state transitions into attainment, the effective strategies that reduced emissions needed to stay in place. With the Board's request that staff review the rules, staff addressed specific rules that applied to PM10 nonattainment areas that helped make the transition to attainment. The 200 series applied to rules statewide, rural and urban. The 300 series applied to specific nonattainment areas. Staff looked at rules that applied to particulate matter to clarify separation. The rules that applied to the 300 series, PM10 nonattainment and maintenance areas, would stand alone and be included in the SIP. The 200 series would include the requirements that apply to attainment areas only. After approval, staff plan to take the rules that apply to the nonattainment areas and submit them to EPA as part of the SIP. Then staff would take the rules that apply to the rural areas of the state and withdraw them from the federal SIP. They would still fall under state rule and be enforceable. The rules in the packet were then reviewed.

Several members of the Board discussed the issue for clarification. It was noted that R307-309 was omitted from the agenda but was included in the packet.

Dianne Nielson asked the staff to talk to the railroads concerning locomotives that travel above 6000 feet about the diesel exemption being removed from the rule.

- Jerry Grover moved that the Board Propose for Public Comment: Amend R307-101-2, R307-165, R307-201, R307-204, R307-205, R307-206, R307-302, R307-305, R307-309, and R307-310; New Rules R307-207 and R307-306.

Richard Olson seconded and the Board, with Scott Hirschi on the phone, approved unanimously.

VI. Propose for Public Comment: New Rule R307-421, PM₁₀ Offset Requirements in Salt Lake County and Utah County; and Propose Modification to R307-101-2, Definitions.
Presented by: Colleen Delaney.

One of the effects of adopting the maintenance plan R307-421 is that when EPA redesignated Salt Lake County and Utah County to attainment for PM₁₀, there would be a shift from the nonattainment New Source Review to PSD. The nonattainment program has minimized the impact of new sources in those areas that have already violated the standard. For major sources of the pollutants in Salt Lake County and Utah County, the lowest achievable emissions rate (LAER) is applied. Offsets must be obtained and an existing source has to reduce emissions to make room before a new source can come in. Also, alternative siting has to be considered. When there is a shift to PSD, modeling analysis will need to be done for new major sources or modifications to an existing source, to make sure the PM₁₀ NAAQS is not violated. It will start with a clean area, add a new source and then look at the effect it had on the NO_x. An NO₂ increment analysis and BACT study would also be added.

Staff has looked at the PSD program and how it will be an effective tool in the new attainment areas. Under PSD, staff looks at individual pollutants. A large portion of PM₁₀ that is measured during the winter temperature inversions is not emitting directly as PM₁₀. It is converted from a gaseous state from SO₂ or NO_x into sulfates and nitrates. Under the PSD modeling, staff can measure the effect of primary PM₁₀ from dust or carbon. There is not a good mechanism for addressing the effect that SO₂ or NO_x might have on PM₁₀ and it is important to have that in the new PSD program. Staff used the same technique that was used with ozone modeling. Staff kept in place the effective measure offset provisions from the nonattainment area program as a state-only measure to address the formation of ozone.

The current offsets program in these areas has a requirement where the emissions of PM₁₀, SO₂ and NO_x are added together to determine whether or not offsets are required. When the areas are redesignated to attainment, the pollutants would no longer be added together. The rule should not allow inter-pollutant trading. It is recommended that the rule be kept as a state-only rule and not submitted to EPA as part of the maintenance plan. This would allow greater flexibility for implementing the rule and should not affect the approvability of the maintenance plan because the plan does not claim any emission reduction credit for this provision. This would be similar to the approach that was used for the ozone maintenance areas.

Modification to R307-101-2. When the PM₁₀ and SO₂ nonattainment areas are redesignated to attainment, staff will have to start tracking increment consumption. This program is to maintain the good air quality in clean areas and still allow room for growth and economic development. Using a hypothetical area and graphs, Ms. Delaney showed the NAAQs at 150. The actual air quality measured is around 50. The PSD rule allows for a certain amount of degradation. For a 24-hour PM₁₀ analysis, it would allow 30 micrograms of degradation to occur, but would not allow the area to degrade to the NAAQs.

Staff needed to define the baseline level, which is defined by time and area. The baseline level was established in 1979 by the first application for a major modification for a pollutant. The baseline is only established in attainment areas. At that time, there were and still are the same four counties in nonattainment: Weber County, Davis County, Salt Lake County and Utah County. Since then, there have been no major sources of PM₁₀. Any new source that was constructed would reduce the amount of increment and it would vary where growth occurred. A special provision is added to the rule for how a major source is dealt with. The major source baseline date was established as 1975. Any changes since that date that occurred at major sources due to construction would either increase emissions, which would decrease the increment; or decrease emissions, which would expand the increment. In 1975, nonattainment areas in Utah were over the standard.

Staff is recommending that the Board look at what the PSD program was trying to do, which is to maintain the air quality in clean areas while allowing a certain increment of degradation. Staff recommends that a change to the definition of the major source baseline date be changed from 1975 to when the area is redesignated to attainment. This would allow Utah to maintain the improved air quality that has been achieved over the last several years.

Questions from the Board were answered.

- Marcelle Shoop moved that the Board Propose for Public Comment: New Rule R307-421, PM₁₀ Offset Requirements in Salt Lake County and Utah County; and Propose Modification to R307-101-2, Definitions.

Richard Olson seconded the motion and the Board, with Scott Hirschi on the phone, approved unanimously.

VII. Information Items.

- A. Appeal of Sevier Power Company Permit and Appeal of IPP Unit 3 Permit. Presented by: Fred Nelson.

The Board had been scheduled to hear motions on two appeals for the Sevier Power Plant and IPP Unit 3 today. Due to requests for a 30-day extension by Rick Rathbun, AG's office, and Joro Walker, the Board will change the meeting date for the appeals to April 13. Due to Board member schedules, the meeting will start at 1 p.m.

- B. Schedule for NSR Reform Stakeholders Process. Presented by: Jim Schubach.

Jim Schubach reported that the Federal permitting programs had been modified in relation to major stationary sources. The revision took place in December 2002. Utah is required to incorporate those changes in the State permitting program by January of 2006. To meet this schedule, a review began in 2004 and will continue through this year. Initial meetings focused on revisions that would occur to major sources in nonattainment areas and PSD areas. The stakeholder meetings will examine how the rules will be integrated in the program. Staff hopes to bring recommendations to the Air Quality Board this summer. The Federal programs were challenged in the District Court in 2003, and a stay was not issued at that time. There were oral arguments in

2005, and no ruling has been made at this time. The implementation of the program is still required by January 2006.

- C. Draft Regional Haze SO₂ Milestone Report for the Year 2003. Presented by: Colleen Delaney.

Currently out for public comment is the first milestone report, where actual SO₂ emissions in the region are compared with the SO₂ Milestone that had been developed for the regional haze SIP. This is the first checkpoint that is being looked at to see how staff is doing on the progress for 2003. The good news is that the region is currently about 25% below the milestone for 2003. The actual draft milestone report that was prepared by the Western Regional Air Partnership (WRAP) has been given to the Board. The audience has the executive summary of the first three pages. EX-2 is an overview as to where the milestone is. Part 1 adjusts the milestone to account for the five states that are participating. That is the 2003 milestone of 447,383 tons. The next item is the emissions in the region for 2003 for those five states. It has the actual emissions and then an item for adjustments that explain that we are comparing apples to apples. Some sources had changed the method of measuring emissions and staff wanted to make sure there would be a comparable adjustment. The SO₂ emissions in 2003 were 329,000 tons. After the comments have been received, the five states will check and make sure all the comments have been responded to. As outlined in the regional haze SIP, the Executive Secretary will make a determination that either the milestone has been met or has been exceeded. An exceedence would trigger the backstop market-trading program. In this case, it is so far below, it is anticipated that the decision will be that the milestone has been met.

Dianne Nielson asked if there were any other entities that would have an option to come into the SIP and add any potential contributions, or were they just out of the program?

Ms. Delaney answered that for states in the region to participate, they needed to have a SIP in place by 2003. There were five states that met the criteria. The tribes do not have a deadline that they have to meet. WRAP is looking forward to the SIPs that are due in 2008 for the remaining states.

- D. Compliance. Presented by: Jeff Dean.
No questions.
- E. HAPS. Presented by: Bob Ford.
No questions.
- F. Monitoring. Presented by: Bob Dalley.

Bob Dalley reviewed all the graphs. He pointed out the highest concentration of PM₁₀ measured for January and February showed another winter season without any PM₁₀ problems. Two new stations were installed at Amalga and Hyrum in Cache County. PM_{2.5} monitoring for January, February and March showed 6 days that exceeded the health standard. Two more exceedence days and Cache County will meet the criteria to become nonattainment.

G. CEED vs. EPA, Decision by the D.C. Court of Appeals. Presented by: Rick Sprott.

Sometime back an organization named Center for Energy and Economic Development sued EPA again regarding the regional haze program. This time they sued on a number of grounds that were related to the legality of the SO2 annex. Two to three weeks ago the D.C. District Court rendered an opinion on the lawsuit. EPA lost the suit. It was a difficult opinion to follow, and the outcome has the potential of negating the 309 Regional Haze program that was set up based on the recommendations from the Grand Canyon Visibility Transport Commission. The states and tribes have been pursuing this for 15 years. As a result, EPA and the states affected have been in consultation. The letter in the packet was sent to Jeff Holmstead by the Environmental Commissioners from those states, including Dianne Nielson, summing up our belief that it is important to work with EPA to find a solution to overcome the difficulties of the court decision. Our plan is to move forward with that and continue with the 309 Regional Haze SIPs. The Board will be kept current as things unfold.

Rick Sprott announced that a number of Board members' term had expired. Richard Olson, who had served eight wonderful years, would be leaving. Richard Olson replied that dealing with turkey and cattle ranches hadn't given him the expertise that other Board members had had. But he did enjoy serving with the other Board members. It had caused him to think more in technological directions. Ernie Wessman thanked him for all his contributions.

Also, Scott Hirschi had been appointed to finish out Karl Brooks second term. This will be his last meeting. Mr. Wessman expressed thanks that Mr. Hirschi had been able to join the meeting by phone. Mr. Sprott expressed appreciation for Scott's recommendations and suggestions that had helped the Board. Scott Hirschi thanked the Board and expressed his pleasure for having served with the members.

Jeff Utey has completed his first term and will not be extending to a second. His new assignments will not allow the time to serve on the Board. He was thanked for his contributions.

Jim Horrocks and Wayne Samuelson have completed their first term and would be staying on for a second.

The meeting adjourned at 3:50 p.m.