

**UTAH AIR QUALITY BOARD
WORKING LUNCH SESSION
October 5, 2011 – 11:00 a.m.
195 North 1950 West, Four Corners Conference Rooms
Salt Lake City, Utah 84116**

FINAL MINUTES

Board members present: Nan Bunker, Joel Elstein, Kathy Van Dame, Steve Sands, Michael Smith, Robert Paine, and Kerry Kelly.

Bryce Bird, Director at DAQ and Executive Secretary to the Board, explained that over the past two years DAQ conducted ozone studies in Utah and the results are being presented to the Board. In September 2011 President Obama halted the reconsideration process of the ozone standard which is now postponed. The Clean Air Science and Advisory Committee (CASAC) is actively working on revising the ozone standard with an expected new recommendation before the 2013 date.

Michelle Hofmann, Assistant Professor of Pediatrics at the University of Utah and Board of Directors of Breathe Utah, gave a history of the ozone National Ambient Air Quality Standards (NAAQS) and impact reports that have been issued by the EPA as the standard evolved. Dr. Hofmann explained how people are exposed to ozone and the effects on their bodies, including the acute and chronic effects. She included different types of studies and the results that impacted the decisions around the standard. Current standards do not provide an adequate margin of safety for the most sensitive or susceptible individuals and CASAC and the EPA are making progress towards strengthening the standard.

Colleen Delaney, Environmental Scientist at DAQ, presented information focused on three areas, the status of the ozone NAAQS, ozone trends in Utah, and what happens now that the ozone standard has been delayed. After the standard was adopted in 2008 EPA was sued by a number of different parties for various reasons. In 2009 EPA began the process to reconsider the 2008 standard rather than defend it in court. In September 2011 the reconsideration of the standard was halted with plans from EPA to move forward with designations under the 2008 standard. Ozone levels in Utah have been trending downward in recent years, but in looking at ozone values in remote areas throughout the West levels seems to be rising. Even without an ozone State Implementation Plan (SIP), emissions will continue to decrease. A PM_{2.5} SIP is underway and should help reduce ozone levels in northern Utah. We have the opportunity to strengthen our technical work and to use the delay of the standard as an opportunity to do things, such as education and nonregulatory measures, ahead of schedule.

Bo Call, Air Monitoring Section Manager at DAQ, gave a summary of the 2011 ozone season and also explained how staff determines the green, yellow, and red calls for the action days.

Kiera Harper, Environmental Scientist at DAQ, presented information on the Washington County ozone saturation study which ran from April through September 2011. When EPA began receiving data to their air quality system from the Zion and Santa Clara monitoring sites, they had questions on the positioning of the Santa Clara site. The objectives of Ms. Harper's study was to locate a more suitable location for a permanent ozone monitor in Washington County and review ozone impacts from regional transport. After presenting the results of her findings, it is recommended that a permanent ozone monitor be located in Hurricane, Virgin, or St. George. It was surprising to see high values at the remote Lytle Ranch location and she suggests monitoring continue near Lytle Ranch to get a better idea of ozone regionally.

Seth Arens, Environmental Scientist at DAQ, presented information on the ozone study which was conducted over the last few summers for the Wasatch Front and rural areas of western Utah. The objective of Mr. Arens' study was to determine the extent of a potential ozone nonattainment area, assess the role of regional pollution, and examine the influence of the Great Salt Lake in ozone formation. All of Utah is currently in attainment of the ozone standard, but if the standard is lowered to 70 parts per billion or less this would mean potential nonattainment for several counties in Utah. It was surprising to get high ozone values in mountain valleys adjacent to the Wasatch Front and in rural western Utah. It is recommended that more studies be done on the long-range transport issue to get an idea of how emission transport from California and Nevada are affecting ozone formation in Utah. In addition, Mr. Arens suggest monitors be placed around the Great Salt Lake to help modelers understand the effects from the lake on ozone formation along the northern Wasatch Front.

Brock LeBaron, Deputy Director at DAQ, explained that most oil and gas production in Utah comes from Uintah and Duchesne Counties in the Uintah Basin. Ozone in the Uintah Basin is a different situation than the rest of the state in that it is a localized problem and regional transport is not an issue. He went on to explain that DAQ did special studies monitoring from 2007 through 2009 focusing on PM_{2.5}. Subsequently, EPA set up permanent monitors in Ouray and Redwash in late 2009 as well as the Ute tribe's monitors in White Rocks and Myton. In addition, the Utah State University and Energy Dynamic Lab is doing a saturation study focusing on ozone to see the extent of the problem and where the highest values are being reported. The purpose of this winter's study is to understand how ozone is formed in the Uintah Basin during wintertime inversions and identify any chemical pathways that are unique to the Uintah Basin's winter situation. Jurisdictional authority is a complex issue in the Uintah Basin because of boundaries of tribal land, regulated by EPA, and state land. Most of the oil and gas wells are located on tribal land and in order to solve any problems there needs to be cooperation between the state and EPA.

Minutes approved December 7, 2011.

UTAH AIR QUALITY BOARD MEETING
October 5, 2011 – 1:30 p.m.
195 North 1950 West, Room 1015
Salt Lake City, Utah 84116

FINAL MINUTES

I. Call-to-Order

Steve Sands called the meeting to order at 1:30 p.m.

Board members present: Nan Bunker, Kathy Van Dame, Darrell Smith, Craig Petersen, Steve Sands, Joel Elstein, Kerry Kelly, Robert Paine, and Michael Smith

Excused: Amanda Smith and Dale Ipson

Executive Secretary: Bryce Bird

II. Date of the Next Air Quality Board Meeting: November 2, 2011

III. Approval of the Minutes for July 6, 2011, Board Meeting.

- Darrell Smith moved to approve the July 6, 2011, minutes as submitted. Nan Bunker seconded. The Board approved unanimously.

IV. Propose for Public Comment: Operating Permit Program Fee for Fiscal Year 2013. Presented by David Beatty.

David Beatty, Operating Permits Section Manager at DAQ, stated that each year an annual emissions fee is established to fund the operating permit program. For fiscal year 2013 a fee of \$53.74 per ton of emissions is being proposed, which is an increase of \$2.42 per ton. The increase is due to a decrease in chargeable emissions. Staff recommends the Board submit as part of the Department's fee package, a \$53.74 per ton of emissions for the fiscal year 2013 operating permit fee.

In answer to questions, a Board member outlined an alternative fee structure, with hazardous air pollutants (HAPs) valued 10 times higher than criteria pollutants. The proportion has basis in the Title V rules which give the threshold for requiring a Title V permit, 100 tons per year (tpy) criteria pollutant, 10 tpy individual HAP, or 25 tpy cumulative. Mr. Beatty also responded that if the fee on HAPs is raised it would reduce the fee on criteria pollutants. The fees are calculated based on sustaining the Title V permitting program and like last year the increase in fees is due to a decrease in chargeable emissions. This proposal, if approved, will be included in the Department's fee schedule that goes for Legislative approval. In addition, earlier this year the National Association of Clean Air Agencies (NACAA) did a study on operating permit fees across the nation and the results were finalized and posted on the NACAA's web page.

- Kathy Van Dame moved to propose the Title V fee as presented. Nan Bunker seconded. The Board approved unanimously.

V. Propose for Public Comment: Amend R307-210. Stationary Sources. Presented by Marty Gray.

Marty Gray, Major New Source Review Section Manager at DAQ, stated that rule R307-210 Stationary Sources incorporates updated standards of performance for stationary sources. These federal standards are promulgated by EPA for groups of stationary sources that are considered significant contributors to air pollution. The last time these standards were incorporated into state rule was March 15, 2007, and there have since been some substantive changes to some of these standards. Upon completion of this rulemaking the new amendment will be dated July 1, 2011. Staff recommends that the Board propose the amendments to R307-210 for public comment.

In answer to questions, Mr. Gray replied that in the interim when the standards are not incorporated into the Utah rules, they are enforced by incorporation into approval orders. These standards designate which stationary sources they apply to and they would already apply to an applicable source through their approval order. With this proposal the standards will also apply through state law. In addition, staff plans to update these standards annually.

- Kathy Van Dame moved to propose for public comment, amend R307-210 Stationary Sources as proposed. Joel Elstein seconded. The Board approved unanimously.

VI. Propose for Public Comment: Amend R307-405. Permits: Major Sources in Attainment or Unclassified Areas (PSD). Presented by Camron Harry.

Camron Harry, Environmental Engineer at DAQ, stated that currently Utah's prevention of significant deterioration (PSD) permitting rules incorporate by reference the July 1, 2008, version of 40 Code of Federal Regulations (CFR) 52.21. We are proposing to incorporate by reference the July 1, 2011, version which will make PM_{2.5} a regulated pollutant under the PSD program and establish increments, significant monitoring concentration, and significant impact levels for PM_{2.5}. In addition, we are proposing to remove changes to the major source baseline date that was disapproved by EPA on July 15, 2011. The changes to the major source baseline date were submitted to EPA in 2005 to make PSD increment tracking meaningful in future maintenance areas for PM₁₀ and SO₂. However, because the major source baseline date is established in the Clean Air Act, EPA was not able to approve a Utah specific baseline date. The proposal deletes the Utah specific language and reverts back to the definition of major source baseline date in 40 CFR 52.21. Staff recommends the Board propose the amendments of R307-405-2 and R307-405-3 for public comment.

In answer to questions, Colleen Delaney, Environmental Scientist at DAQ, replied that as far as volatile organic compounds (VOCs) being a precursor, it needs to be evaluated based on the modeling and inventories in our nonattainment areas and will be determined as part of the PM_{2.5} State Implementation Plan (SIP). In addition, there are separate issues such as trading precursors that need to be addressed within the SIP. With the elimination of the established baseline date we revert to the baseline date established in 1975 for the entire country. We are attempting to make the PSD increment tracking meaningful in future maintenance areas for SO₂ and PM₁₀. Baseline dates for other PSD pollutants are established but this is focused on SO₂ and PM₁₀. In addition, the language for this proposal reflects the federal requirements and is written so that it doesn't preclude the state from including VOCs as a precursor for the PSD.

- Darrell Smith moved to propose this item for public comment. Nan Bunker seconded. The Board approved unanimously.

Nan Bunker is excused from the meeting.

VII. Informational Items.

A. Functions and Processes of the Department of Environmental Quality Boards. Presented by Brad Johnson.

Brad Johnson, Deputy Director of the Department of Environmental Quality, stated that over the past five years the Legislature has expressed interest in DEQ Boards and a number of bills have been introduced to make changes in membership or changes in authorities of the Boards. In the 2011 legislative session, Senator Dayton sponsored a bill to make changes but then withdrew the bill because there was not sufficient groundwork laid prior to the proposal and there were a lot of questions. Some of the issues raised were the size of the Boards and do we have the right number of people on each of the five DEQ Boards? Do the Boards have the right members representing the right sectors of industry? Also discussed were the authorities of the Executive Secretaries and Boards and are the authorities in the right places? When a Board member has a conflict of interest, how should that issue be approached?

DEQ recommended to Senator Dayton that a work group be organized to get feedback on whether or not we have the right structure on the DEQ Boards. A 20 member workgroup was established and made of up of DEQ staff, past and current Board members, local health departments, and representatives of industry. The workgroup will meet for two days to implement a Kaizen process to address the issues raised in past legislative proposals as well as any other issues that may come up. The work group will present recommendations to Senator Dayton who intends to run legislation in the 2012 legislative session.

Mr. Johnson answered questions and commented that Senator Dayton's bill will only be focused on the DEQ Boards and that she had two main concerns. The first is the requirement of five years of experience for any Board member and the other was to eliminate the requirement that one of the public representatives represents environmental interests. Another item that came up in discussions was the possibility of opportunities for different Boards to work together when issues overlap. It was mentioned that Wyoming's board structure is being looked at as an example. Also, the way challenges are brought to the Board and the role of the Administrative Law Judge will be addressed.

B. Unavoidable Breakdown Rule Amendment Update. Presented by Joel Karmazyn.

Joel Karmazyn, Environmental Scientist at DAQ, stated that previously he reported overwhelming support by stakeholders to repeal the current rule and reenact it with an enforcement discretion rule modeled after the EPA approved Wyoming rule. DAQ issued a draft enforcement discretion rule to stakeholders for their input. Staff plans to propose a new rule to the Board in February, hold a public meeting in March, and finalize the rule in June 2012. This timeline will allow staff to deliver the administrative package to EPA by the November 2012 due date.

C. Air Toxics. Presented by Robert Ford.

D. Compliance. Presented by Jay Morris and Harold Burge.

E. Monitoring. Presented by Bo Call.

Bo Call, Air Monitoring Section Manager, updated the Board on the monitoring graphs. In answer to questions on exceptional events, Mr. Call responded that data points are counted in the system but if there is an exceptional event then it can be filed with EPA and if they concur it is not considered a violation of the NAAQS. The process has changed over time but this past year EPA issued a policy to states in how to implement the rule. EPA has yet to finalize the process in how they will determine justification of an exceptional event. In the meantime, DAQ is still flagging the data in the system which they feel meets the criteria and submitting the packets to EPA for approval. At this point, EPA has only approved fireworks events.

The Board discussed ways in which an item can be added as an informational item on the agenda or ways to give topic suggestions for a brown bag lunch. There was general consensus that informational items could easily be incorporated as part of the regular Board meeting, but that it would be helpful if requests were made prior to the meeting and added to the draft agenda so that the Board and DAQ has an opportunity to prepare for the discussion. Anyone can propose an agenda item and instructions to request that an item be placed on the agenda will be added to the DAQ Board web page.

Meeting was adjourned at 2:23 p.m.

Minutes approved December 7, 2011.