



# MINUTES

Friday, September 6, 2013

## **RAQC MEMBERS PRESENT**

Andy Spielman, *Chairman, Hogan Lovells*  
Melissa Chalona, *CTL\Thompson Inc*  
Steve Hogan, *City of Aurora*  
Darryl Jones, *Coventry Development*  
Elise Jones, *Boulder County*  
Doug Linkhart, *Denver Department of Environmental Health*  
Jackie Millet, *City of Lone Tree*  
Bob Murphy, *City of Lakewood*  
John Putnam, *Kaplan, Kirsch, & Rockwell, LLP*  
Jennifer Schaufele, *Denver Regional Council of Governments*  
Skip Spensley, *Environmental Consultant*  
Joyce Thomas, *City of Federal Heights*  
Will Toor, *Southwest Energy Efficiency Project*  
Elena Wilken, *Colorado Association of Transit Agencies*  
Tracy Winfree, *City of Boulder*

## **RAQC MEMEBERS NOT PRESENT**

Reeves Brown, *Colorado Department of Local Affairs*  
Eric Doering, *Citizen*  
Rick Garcia, *Department of Urban Housing and Development (advisory)*  
Don Hunt, *Colorado Department of Transportation*  
Paul Natale, *Citizen*  
Jep Semen, *Corporate Advocates*  
David Stewart, *EnCana Oil & Gas (USA)*  
Karin McGowin, *Colorado Department of Public Health and Environment*  
Phil Washington, *Regional Transportation District*

## **RAQC ALTERNATES PRESENT**

Martha Rudolph, *Colorado Department of Public Health and Environment*  
Debra Perkins-Smith, *Colorado Department of Transportation*  
Bill Van Meter, *Regional Transportation District*

## **RAQC STAFF PRESENT**

Ken Lloyd, Meg Alderton, Lauren Beliles, Kate Cooke, Jerry Dilley, Misty Howell, Steve McCannon, Kate Ruygrok and Anne Ritter.

## **OTHERS PRESENT**

Will Allison, APCD; Terri Blackmore, North Front Range MPO; Tom Clark, Denver Metro Chamber of Commerce; John Gallagher, Suncor Energy; Tom Hunt, Colorado Energy Office; Josh Joerns, Rush Truck Centers; Jermine Kallma, Ward Alternative Energy; Michael McReynolds, Colorado Energy Office; Mike Russell, Rush Truck Centers; Jessica Scott, City and County of Denver; Shakti, Lakewood ACIC; and Natalia Swalnick, American Lung Association.

The meeting was called to order at 9:40 a.m. by Chair Andy Spielman. A quorum was present.

## **Approval of Agenda**

**Elise Jones moved to approve the agenda. Seconded by Debra Perkins-Smith. Motion passed without objection.**

## **Approval of Minutes**

**John Putman moved to approve the minutes as presented. Seconded by Elena Wilkins. Motion passed with one abstention (Andy Spielman).**

## **Informational Items**

### *Chair*

None.

### *Executive Director*

Ken Lloyd presented Council with the 2012 Audited Financial Statements. He indicated that everything is in order and Council is in a good financial position. Council had no questions regarding the audited statements.

### *Members*

Martha Rudolph indicated the new Executive Director and Chief Medical Officer for CDPHE will be Dr. Larry Wolk. He will begin on September 16. She said he is a practicing pediatrician and previously served as founder and Executive Director of Rocky Mountain Youth Clinics which provides health care to underinsured children. Dr. Wolk also served as chief executive officer of the Colorado Regional Health Information Organization, a state-designated health information exchange.

## **Public Comment**

Natalia Swalnick, American Lung Association, indicated ALA is are sponsoring a National Plug-In Day event on September 28 at Belmar Park in Lakewood. ALA will be offering test drives and providing information on tax incentives and charging options. She indicated they are looking for sponsors, attendees and vendors.

Joyce Thomas commented that one of the Federal Heights council candidates bought an electric vehicle to use during campaigning.

## **Governor's New Executive Order Designating the RAQC as the Lead Ozone Planning Agency for the Denver/North Front Range Area**

Ken Lloyd indicated the Governor recently issued a new Executive Order designating the RAQC as the sole lead planning agency for the Denver/North Front Range ozone nonattainment area. Ken reminded Council that the RAQC has worked with the North Front Range area for several years on ozone issues. Historically, the North Front Range Metropolitan Planning Organization (NFRMPO) has been the lead air quality planning agency for the North Front Range area. The

NFRMPO asked that the planning for the entire Ozone Nonattainment Area be handled through the RAQC. The Executive Order also adds three official members from the North Front Range area, stipulates that all members shall serve a three-year term with a limit of two consecutive terms. The new executive order indicates the RAQC continues in existence until further modification or rescission by the Governor without including a specific expiration date.

Ken said this change will most likely increase staff outreach work into the North Front Range area. He noted that the RAQC's relationship with the NFRMPO will be similar to that with DRCOG. Ken stated he thinks this move will help make for a more cohesive ozone planning effort.

Terri Blackmore, Executive Director for the North Front Range MPO, indicated it did not seem to make sense to have two efforts to address one issue. She said she looks forward to participating in the process.

#### *Public Comment*

None.

#### **Report on 2013 Ozone Season**

Ken Lloyd provided Council with the *4th Maximum Ozone Values Table (ppb) through September 2, 2013* chart. He noted that in 2013 the region exceeded the standard at nine sites. He indicated that the 19 days that the standard was exceeded is fewer than in previous years. The foothills sites are the most concerning. Ken said that under EPA guidance the region needs to show compliance with the standard by 2015, which will include the 2013 numbers.

Ken highlighted the 2013 ozone outreach activities:

- Placed banner bug in over 80 local government locations over the summer
- Creation of *Clean Air Kids Activity Book* with a grant from National Jewish Health
- Channel 7 partnership with Mike Nelson and Matt Makens on air as well as including the *Clean Air Kids Activity Book* as part of school visits
- Creation of a season overview video

He indicated staff is compiling the year-end summer numbers and will provide an update at a future meeting.

Council discussed the fact that the APCD has analyzed the effects of such factors as seasonal meteorology and fires on ozone levels. Will Allison, APCD, said that they flag high ozone days that occur during fires and then go through a process to determine if those days qualify as exceptional events with EPA. He stated that this process is very resource intensive. In response to a question, Will Allison stated that EPA has approved most of the State's exceptional events, which have been primarily been for particulate matter (PM). The APCD has not submitted many exceptional events for ozone. Ken Lloyd said that EPA has an exceptional event policy and hopefully EPA will be more flexible with ozone.

## *Update on EPA Ozone standard implementation*

### **Ozone Standard Implementation**

Ken Lloyd informed Council that in July 2013 the Federal Court of Appeals upheld EPA's 75 ppb standard and concluded that EPA looked at the scientific data and came to a reasonable decision. EPA is not required to adopt the recommendation of the Clean Air Scientific Advisory Council (CASAC). The Court invalidated EPA's secondary standard, saying that EPA needs to support its decision to set a secondary standard at the same level.

Ken also said that EPA was set to propose a new ozone standard by the end of 2013, but that has been pushed back 6-18 months. A deadline suit has been filed to get EPA to set the standard in 2014. A new schedule is expected soon.

In response to a question, Ken indicated that EPA is working on background contributions and its effect on areas. He noted that this is a big challenge, especially in the west.

### **SIP Regulation Rule**

Ken Lloyd told Council that EPA has proposed the ozone implementation rule. The public comment period ends in September. Ken indicated that under the 75 ppb standard, the Denver Metro/NFR area is classified marginal attainment, which has no mandatory requirements. He stated that if the region does not meet the standard by 2015 EPA will update the designation to moderate which requires the region to show attainment within 3 years.

### **Transport Issue**

Ken Lloyd said another Court decision indicated that EPA has to re-do its Transport Rule and has to make a contribution determination for downwind states. Conceptually the rule makes sense but the practical application of the rule is complex. Ken said that staff will monitor EPA progress.

In response to a question regarding whether the transport would affect the region's baseline modeling numbers, Ken replied it is difficult to determine at this time since states are required to complete a Transport SIP before Attainment SIPs are due.

Elena Wilkins inquired if there was a sense of whether Colorado received more transport or contributed more transport. Ken Lloyd responded that studies indicate that Colorado receives more transport than it gives to other states.

Jennifer Schaufele asked if EPA is planning to give states an opportunity to weigh in on the modeling and transport determination process. Ken Lloyd said states have been involved and there have been stakeholder meetings. Ken indicated that any contributions would be determined through a rule making process, and then states would have to do their plans. He said there is still a question of whether EPA will require the reduction in a tonnage or concentration basis. The process will be very complex. Ken further stated the Colorado is in a better position than other western states because of the modeling that has already been done.

### *Public Comment*

None.

## Update on Status of Air Quality Control Commission's Oil and Gas Regulation Development Process

Martha Rudolph said that the APCD has been working with stakeholders since January to work through the second round of regulations to adopt the remainder of the EPA 0000 regulations. She reminded Council that the AQCC partially adopted the regulations last year.

Will Allison, APCD, presented an overview of the AQCC's oil and gas regulation rulemaking process.

He indicated the goals of the rulemaking included:

- Identify and implement strategies that **improve the effectiveness and efficiency** of Colorado's air quality program
- Find way to **reduce permitting burdens** for both the Division and the regulated community without impacting environmental benefits from the permitting program
- Address the growth in oil and gas development through the **adoptions of reasonable emission reductions strategies**
- Lay groundwork for ongoing efforts to **reduce oil and gas emissions** while minimizing burdens that don't provide environmental value.

Potential Strategies include:

- Revise the reporting and permitting requirements
- Adopt federal oil and gas rule
- Revise and expand statewide oil and gas control measures
  - Expand control requirements for storage tanks
  - Enhance capture at controlled storage tanks
  - Expand auto-igniter requirements
  - Expand leak detection and repair requirements
  - Reduce venting and flaring of gas stream at well sites
  - Expand low-bleed pneumatic requirements

Mr. Allison indicated that the state has good stringent regulations on the books but believe that there is room for some targeted changes. He also noted that with the leak detection strategy, the APCD has been encouraging operators to find and fix leaks. He said this is an area where there were a lot of differing opinions on how to address the issue.

The APCD will be holding workgroup meetings to continue discussions on leak detection and storage tank capture concepts as well as individual meetings to discuss the industry proposals and concepts and alternatives. Mr. Allison indicated that the workgroup and individual meetings would be held through October as needed.

Mr. Allison said the APCD will request a hearing with the AQCC in November 2013 for a February 2014 hearing date.

In response to a question, Mr. Allison said the APCD and AQCC are mindful of the RAQC's role. He said it is the State-only rules that are under consideration and the current AQCC process will provide an opportunity to learn more so that strategies can be packaged into SIP strategies if necessary.

Ken Lloyd said the work being done by the AQCC is important, but more will likely need to be done in the long-term. He reminded Council of the presentation at the May meeting which showed that the oil and gas sector is growing. He said these changes are important but are not necessarily going to fix the issue. He envisions that RAQC staff will continue to be involved in the current stakeholder process and will also be involved as a party during the prehearing process. He said that staff will bring the AQCC proposal back to Council at the December meeting.

Will Toor asked if proposals will be able to be evaluated through the process given the oil and gas industry growth that was discussed at the RAQC's May meeting. Ken Lloyd responded that staff is working with APCD to determine effects of the projected growth. He said staff is looking to see what quantifiable emission reductions come from the process and how that information can be factored into the modeling. Will Allison said he believes the detailed level of analysis would be done after this process as part of the SIP planning.

*Public Comment*

None.

**Proposal for Colorado Natural Gas Vehicle Implementation Plan and RAQC Role**

Ken Lloyd introduced Tom Hunt from the Colorado Energy Office. He informed Council that the Governor has a priority initiative to promote natural gas vehicles and the use of natural gas as a vehicle fuel in Colorado. He said Mr. Hunt will provide an update on where this effort stands and where the RAQC can be helpful.

Tom Hunt presented the CEO proposal for Colorado Natural Gas Vehicle Implementation Plan. He said the Colorado Energy Office promotes sustainable economic development in Colorado through advancing the state's energy market and industry to create jobs, increase energy security, lower long-term consumer costs and protect our environment. He provided Council with information regarding balancing Colorado's transportation energy mix and the benefits of natural gas. He shared cost saving information for several fleets that have purchased natural gas vehicles. Mr. Hunt noted that the next direction of the Governor's initiative will be to focus on medium and heavy duty vehicles and charging stations.

Mr. Hunt indicated CEO is looking at a 4-year program using \$30 million of CMAQ funds to fund stations and provide incentives. He said CEO would be able to use these funds outside the Denver metro area to help create station corridors throughout Colorado.

He outlined the potential for RAQC involvement in the program which included:

- Administering vehicles grants (similar structure to Clean Air Fleets and Charge Ahead Colorado)
- Leveraging expertise on federal regulations (RAQC staff has experience through other projects)
- Promotional/branding concepts (similar to Clean Air Fleets and Charge Ahead Colorado)

John Putman and Will Toor both questioned whether CNG vehicles would provide the best air quality benefit for the cost. In response, Mr. Hunt suggested that multiple efforts can dissipate the benefit and CEO believes this is the right technology to move forward. Will Toor questioned the uncertainty for air quality benefits regarding medium/heavy duty vehicles. He said

incentives could be used to accelerate replacement of older diesel vehicles which could provide the same or better benefit.

There was discussion whether the stations would be for fleets or allow public access. Mr. Hunt indicated they are working with local governments on this issue and are open to options.

Jennifer Schaufele asked how CEO envisioned spending the CMAQ funds within and outside the metro area. Debra Perkins-Smith clarified that areas outside of Denver qualify for CMAQ funds.

In response to a question, Mr. Hunt replied that the projections on greenhouse gas emissions did include the creation of electricity to fuel the vehicles.

Elise Jones suggested that electric vehicle charging stations and CNG stations be co-located rather than choosing between the different types of technologies.

Ken Lloyd said this would be an opportunity to add another fuel to the mix.

#### *Public Comment*

None.

### **Update on Topics of Interest**

#### **Charge Ahead Colorado – Status of electric vehicle and charging station grants**

Steve McCannon provided Council with an update on the Charge Ahead Colorado program which is jointly managed by the RAQC and CEO. Overall the RAQC has approved 14 projects that include 33 charging stations and 13 electric vehicle purchases and CEO has approved 7 projects that include 18 charging stations. Steve noted that American Lung Association has completed their charging station, which is now open.

In response to whether there has been interest in the fast charging stations, Steve replied there has been some. Steve also noted that the process is moving into a more strategic process for station location selection to help create more regional locations.

#### **Every Trip Counts program**

Kate Cooke provided Council with an update on the Every Trip Counts program including:

- 2,200 participants in 2013
- 80% of reductions were commute trips
- OzoMeter tracking provides participants with real-time benefits of their actions

She noted that she is working with RTD on trip planning and that a survey will be conducted at the end of September to help quantify the program benefits.

Kate also informed Council that the RAQC's Every Trip Counts Jefferson County program is on the list for 2014/15 CMAQ cycle.

### **Front Range Air Quality Study**

Ken Lloyd informed Council that CDPHE presented the Front Range Air Quality Study proposal, which was presented to the RAQC at its May meeting by the NCAR staff, to the JBC in August. The JBC agreed to provide \$2 million in funding to support the program. Ken noted that staff is working with APCD and may help in the project administration.

#### *Public Comment*

None.

### **Topics for Next Meeting – December 13, 2013**

The following topics were suggested for the December meeting:

- Oil and gas proposal update
- Invite Shaun McGrath, EPA Administrator
- Invite Dr. Wolk, CDPHE Executive Director
- 2014 budget and work program
- EPA proposal on greenhouse gas emissions from power plants

### **Adjournment**

There being no further business before the Council, the meeting was adjourned at 11:55 pm.