



State of Utah

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SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

Alan Matheson
Executive Director

DIVISION OF AIR QUALITY
Bryce C. Bird
Director

Air Quality Board
Stephen C. Sands II, *Chair*
Kerry Kelly, *Vice-Chair*
Alan Matheson
Erin Mendenhall
Robert Paine III
Arnold W. Reitze Jr
Michael Smith
William C. Stringer
Karma M. Thomson
Bryce C. Bird,
Executive Secretary

UTAH AIR QUALITY BOARD MEETING

June 1, 2016 – 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: Steve Sands, Kerry Kelly, Erin Mendenhall, Robert Paine, Arnold Reitze, Michael Smith, William Stringer, Karma Thomson, and Alan Matheson

Executive Secretary: Bryce Bird

II. Date of the Next Air Quality Board Meeting: August 3, 2016

The July 6, 2016, meeting was canceled.

III. Approval of the Minutes for May 4, 2016, Board Meeting.

- Arnold Reitze moved to approve the minutes. Michael Smith seconded. The Board approved unanimously.

IV. Propose for Public Comment: New Rule R307-124. General Requirements: Conversion to Alternative Fuel Grant Program. Presented by Ryan Stephens.

Ryan Stephens, Environmental Planning Consultant at DAQ, stated that this proposed rule is in response to a 2015 bill that provided grants for people who convert a motor vehicle to run on natural gas, propane, or electricity. The Board was given the authority to make rules regarding the procedures and requirements for obtaining grants under the alternative fuel grant program. Although this bill was passed in 2015, it was not funded until the 2016 legislative session. Now that the program has been funded, the Division has proposed new rule R307-124 so that the grant program can be fully implemented. Staff recommends that the Board propose new rule R307-124 for public comment.

In discussion, staff explained that in R-307-124-5 an applicant submits a preliminary approval application, thus encumbering the funds at that point. Once an applicant has been approved the

funds will be set aside for them at that point and the applicant then has 60 days to complete final forms and provide additional information as requested by the Division through a final approval procedure and payment process. The maximum amount per grant is up to \$2,500.

- Kerry Kelly moved to propose for public comment new rule R307-124, General Requirements, Conversion to Alternative Fuel Grant Program. Robert Paine seconded. The Board approved unanimously.

V. Propose for Public Comment: Amend R307-302-5. Opacity for Heating Appliances. Presented by Ryan Stephens.

Ryan Stephens, Environmental Planning Consultant at DAQ, stated that on February 25, 2016, the EPA approved all but two of the area source rules that were included as control measures in the PM_{2.5} State Implementation Plan (SIP). The two rules that were not approved were R307-302, a rule related to solid fuel burning devices, and R307-309, a rule regarding fugitive emissions. EPA informed DAQ that amendments were needed to both rules before they could be approved as control measures in the PM_{2.5} SIP. This proposed amendment to R307-302 is in response to those comments. Staff continues to work with EPA to identify the needed changes to R307-309. The EPA suggested that R307-302-5 be amended to include continuous controls in the form of prohibited burning materials. These controls would apply at all times, including during start-up and refueling. DAQ has amended the rule to include those changes. Staff recommends that the Board propose for public comment the amendments to R307-302-5.

There was lengthy discussion about whether or not the burning of coal is allowed under this rule. A number of years ago this rule was changed from being a wood stove rule to a solid fuel burning appliance rule which makes it much broader. There were differing interpretations on whether or not the burning of coal is allowed under R307-302-5(2)(k) or R307-302-5(3). The Board suggested that it might be best if staff modify the language of the rule to clarify whether or not the burning of coal is allowed.

Staff added that since the DAQ already has a commitment letter with EPA on this proposed rule language and that if the Board allows it to go out for comment, then staff will submit a change in proposed rule form and work with EPA to see if the rule will be approvable with those changes. The main purpose with the current rule proposal is to receive conditional approval on the Logan SIP from EPA, and if there are other issues not related to the Logan SIP, the DAQ can work with EPA on those in a separate rule making. In addition, the Division of Administrative Rules form can be amended to state that some Board members had concerns with burning of coal and whether or not it needs to be clarified in the rule. There is no downside with not putting this proposed rule out for comment at this time because once EPA does its conditional approval, the Board would have one year to adopt the necessary changes to make the rule approvable by EPA.

In discussion about dry seasoned wood, currently in Utah there is no regulation or code on the sale or enforcement of seasoned wood. It was stated that seasoned wood requires a 15% to 20% moisture content. In addition to EPA's burn wise program, other states such as Oregon and Washington state have created educational programs for the consumer of the requirements around the sale of seasoned wood. Alaska has a section regarding pellet and chip wood fuel specifications included in their SIP which lists minimum fuel specifications for chip wood moisture content. Ms. Mendenhall would be interested to hear from staff in the future about how other states' programs that regulate the sale of seasoned wood have worked.

- Karma Thomson moved that the Board not put this rule out for public comment and that the rule be sent back to staff for language modifications based on the discussion with the Board today. Erin Mendenhall seconded. The Board approved unanimously.

VI. Informational Items.

A. Oil and Gas Industry Status in the Uinta Basin. Presented by Lowell Braxton, Western Energy Alliance Utah Representative.

Lowell Braxton, Western Energy Alliance (WEA) Utah Representative, addressed the Board on some forthcoming issues of concern to the oil and gas industry in terms of rulemaking and practices regarding issues in the Uinta Basin. Currently, the Basin's ozone designation as marginal or moderate nonattainment by EPA is unknown because EPA has yet to finalize each of those classifications. DAQ has expressed its intent to make rules dealing with ozone effective statewide, such as a permit by rule analysis on the retrofit rules that the Board previously adopted. In regards to the issue of ozone rule making, DAQ needs to focus rule making on those parts of the state with an ozone problem and not burden industry in parts of the state that are in attainment of the standard with additional requirements. The Clean Air Act process is a clear and prescriptive process that lays out the path to attainment in the Uinta Basin. The process does not easily account for early action credits. In terms of procedure, WEA Utah believes that DAQ needs to conduct an extensive analysis for its rule making. The 2014 emissions inventory is well established and provides a tremendous amount of data that can be used if and when it is time to do rule making. Promulgating rules ahead of EPA's final classifications could result in rules that are redundant and not cost-effective to both the state and industry.

Alan Matheson enters the meeting.

B. Uinta Basin Ozone Status. Presented by Brock LeBaron and Sheila Vance.

Brock LeBaron, Deputy Director at DAQ, stated that ozone is a strong oxidant which has been identified as a criteria pollutant by EPA and also has an associated ambient air quality standard. Ozone is not generally emitted directly into the atmosphere. It is formed in the atmosphere from photochemical reactions of oxides of nitrogen and volatile organic compounds. It's important to understand the chemistry of any area with an ozone problem because you need to know which precursor is the limiting or controlling precursor so that it can be targeted with control strategies. A coordinated multi-winter saturation study was conducted and its summary conclusions were that the ozone problem in the Basin is a very episodic situation that only occurs when there is snow on the ground and when there is a temperature inversion to trap the pollutants near the ground where they can react. The study found that the winter time chemistry in the Basin was somewhat different than what you would see in an urban area. Based on the research, in 2014 the Board enacted four rules referred to as retrofit rules. Mr. LeBaron also spoke briefly about the Basin's complex mixture of State and Tribal/EPA jurisdiction. It will take cooperation with the State, the Tribe, and EPA working together to solve this air quality problem to make sure that mitigation strategies and that all the new rules and regulations be consistent and effective across the Basin.

Sheila Vance, Environmental Scientist at DAQ, stated that in October 2015 EPA issued a new ozone standard of 70 parts per billion based upon health studies and research to protect sensitive populations. As a planning timeline, in October 2016 the Governor will

make a recommendation to EPA in terms of the nonattainment status. One year later EPA will make their final decision on designation. If Utah is designated as moderate then DAQ will start SIP development and have a three year timeline to develop a plan. Then we would have one year to have those controls in place and attainment by 2024. If Utah is designated as marginal after the 2017 designation, then we would have three years to come into attainment at that point with less prescriptive regulation and no SIP would be required. The factors that DAQ will be considering for a designation recommendation are air quality data, emissions data, meteorology, geography and topography, and jurisdictional boundaries. Ms. Vance continued that DAQ is looking at some potential rule changes for oil and gas sources to go to a permit by rule approach. Whereby, minor sources would follow a set of rules rather than go through a permitting process which should simplify compliance and be less costly both in terms of dollars and resources. The rules would be consistent with current new source review best achievable control technology being issued. The stakeholder process has already started for potential rule changes.

C. EPA's Regional Haze Rule Update. Presented by Jay Baker.

Scott Hanks, Environmental Engineer at DAQ, explained that changes to the adjusted emissions at Chevron, Big West, and Holcim that were listed in the SO₂ milestone report and reported to the Board in May. In the case of Chevron and Big West, both sources had installation of a new catalyst in their fluidized catalytic cracking (FCC) which ultimately resulted in a greater reduction of sulfur and therefore SO_x in their emissions. This was in conjunction with a change in methodology for Big West, Chevron, and Holcim who all went from using stack testing to a continuous emissions monitoring system (CEM).

It was further explained that the adjustments in the report showed that the reported emissions by the sources were lower than what DAQ included in the report as a higher emissions number. The lower emissions that were included in the report were the actual emissions based on CEM and not by the monitoring method that DAQ used under the trading program. Under the trading program, emissions were measured by a single stack test operating at maximum production rate and so even though their actual emissions were lower DAQ had to report a higher number because that was the method that was included in the SIP. The actual emissions are lower than what was included in the trading program report. When DAQ develops SIPs, the actual emissions numbers are used. As to why some states opted out of the regional haze rule section 309 and chose to do SIPs under section 308 of the rule, it was explained that to be eligible for section 309, states had to have been included in the Grand Canyon Visibility Transport Commission (GCVTC) recommendations. All of Utah's Class I areas were part of the GCVTC. Utah, Wyoming, and New Mexico only have obligations under section 309 and so they chose to stay with section 309. For other states that were originally in the GCVTC that was not the case and they opted out of the section 309.

Jay Baker, Environmental Scientist at DAQ, explained that regional haze is specific to dealing with visibility in Class I areas and is not a health standard. Of the 156 Class I areas in the United States, 118 are in the west. Some revisions to EPA's proposed new regional haze rule, currently out for comment, includes extending the next regional haze SIP deadline from 2018 to 2021 which allows states to coordinate regional haze planning with other federal programs. Changing definitions and terminology related to how days are selected for tracking progress, which for SIP planning purposes, the 20% most impaired days should be selected based on anthropogenic impairment. Schedule changes of regional haze progress reports to be due every 10 years at the midpoint of each planning

period. Information from the progress report will be included in the SIP. And progress reports will not be considered the same as a SIP revision.

- D. Air Toxics. Presented by Robert Ford.**
- E. Compliance. Presented by Jay Morris and Harold Burge.**
- F. Monitoring. Presented by Bo Call.**

Bo Call, Monitoring Section Manager at DAQ, updated the Board on monitoring graphs.

There was brief discussion of recent news coverage about the start of a study on the prison relocation near the Great Salt Lake and any potential air quality issues with toxic dust, and the depletion of lakes and reservoirs and the exposure of soil that would cause. Staff commented that the Great Salt Lake Commission is driving the discussion on the prison relocation issue and that State Trust Lands is responsible for the lake beds themselves. The University of Utah has been contracted to do a comprehensive study of what additional exposed lake beds mean for air quality and other issues and how that would impact populations along the entire Wasatch Front, not for just the prison site. In addition, other than the two terminal lakes, Sevier Dry Lake and the Great Salt Lake, DAQ does not anticipate any other air quality challenges directly related to water use at other reservoirs and lakes throughout the state because water levels already fluctuate and their beach areas are not as expansive as the dust sources of the two large terminal lakes.

- G. Other Items to be Brought Before the Board.**

Meeting adjourned at 3:22 p.m.

Minutes approved: August 3, 2016