

WRAP IOC Meeting Notes
December 13-14, 2001
San Diego, California

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Summary

A presentation was made by the Air Pollution Prevention Forum regarding a Modeling Project that will analyze the costs and benefits of the Renewable Energy goals of the GCVTC. P2 will receive a modeling report on renewables/energy conservation in January 2002, with the Final report (including REMI analysis & integrated RE/EE policies) due in June 2002.

The latest draft of the "Questions for EPA" letter was reviewed and final "wordsmithing" was completed. The final draft will be circulated to the TOC and IOC the week of December 17th, and only **substantive** comments will be accepted at that point.

The WRAP Board has charged the IOC with coming to a consensus position on multi-pollutant legislation, this date the IOC reviewed sets of "Suggested Principles" from the Sierra Club, Pacificorp and WEST Associates. There are also comments from Colorado and Utah. A workgroup was set up to attempt to combine the principles into a coordinated WRAP position paper on multi-pollutant legislation.

The issue of Clean Air Corridors was discussed and the technical basis for this proposal was reviewed. The current TOC proposal for boundaries was critiqued, and the appropriateness of including large urban areas inside this boundary (especially Salt Lake City) was debated. The IOC concluded that they didn't fully know the implications of Clean Air Corridors, and organized a small workgroup to look more closely at what it really means for a source to be inside or outside the CAC.

Pete Lahm gave a report on the status of Fire Forum projects including Natural Background, Wildland and Agriculture Alternatives to Burning, Prescribed Fire Assessment, Public Outreach, Emission Estimation/Tracking, Enhanced Smoke Management Programs and Agricultural Outreach.

The status of Staff Support for the WRAP was reviewed and it was noted that a vacancy announcements for a Technical and a Policy staff position will be completed before the end of the year. Also Staff Positions for the WRAP State Caucus (WESTAR) and the Tribal Caucus are funded. The Communications funding will be partially used by an existing WGA staffer, with the remaining budget directed to a contractor. Funding for economics aid is planned to be used to retain a contractor to be on call as needed. Fred Roach, who represents the WRAP Economics Forum, was present to discuss the possible uses for this economics help.

Session Details

★ Air Pollution Prevention Forum ★

Jeff Burks made a presentation on the P2 Modeling Project. He explained that this project was undertaken for two reasons: 1) to produce an analytical framework for states' 308/309 decision, and 2) to address concerns that have been expressed regarding the "excessive cost" of pollution prevention activities. This modeling will allow examination of both costs & benefits. Benefits include:

- energy savings
- emission reductions
- visibility improvements
- cost savings
- secondary economic benefits

ICF is the contractor, using the IPM Model as the tool. IPM is an economic model which determines least cost method to meet regional power demand.

Mr. Burks listed the Scenarios Evaluated as:

- 1 reference w/ regional SO₂ cap & renewables (no Energy Efficiency)
- 1x reference of existing & planned renewables only (no EE), w/o the regional SO₂ cap
- 2 scenario to look at WRAP 10/20 goals*
- 3 scenario to look at WRAP 10/20 goals w/ energy efficiency
- 4 scenario to look at energy efficiency only

* goals target that renewable energy will comprise 10 percent of the regional power needs by 2005, and 20 percent by 2015

P2 will receive the modeling report on renewables/energy conservation in January '02. The Final report (including REMI analysis & integrated RE/EE policies) is due in June 2002 in time for presentation at the June 19th WRAP meeting. The Board will then be asked to endorse the recommendations, so that states will have the weight of the WRAP endorsement behind the report.

Mr. Burks also reported that P2 will produce a SIP Guidebook on "how to complete the renewable requirements of the RHR", with a workshop planned for May '02.

★ Questions for EPA ★

The basic approach for clarifying issues under the RHR is that the WRAP is formulating an interpretation of implementation, then asking EPA if they agree with that interpretation. If EPA is asked open questions on interpretation, the WRAP reasons that the response will be less directed and timely. A draft letter to Lydia Wegman has been prepared (12/15/01 draft), and this date the IOC went over comments from Colorado & California, on a question by question basis. A revised letter was developed from "wordsmithing" this draft, which will be circulated electronically for one last review next week.

Considerable discussion took place on coordinating the due dates for PM_{2.5} and Regional Haze SIP's. There was some opinion that if a state opts in to §309 for the 16 Colorado Plateau Class I areas, then they can build on that first SIP submittal for the §308 SIP's dealing with the other Class I areas, without having to complete all the work of a new SIP. The core requirements for this augmentation won't be due until 2008 if the state is part of a Regional Planning group.

★ Multi-Pollutant Legislation ★

The WRAP Board has charged the IOC with coming to a consensus position on multi-pollutant legislation. Andy Ginsberg wants to come up with a core set of principles that articulate issues that are meaningful to the entire WRAP region. Regarding issues where agreement can't be reached, then it was suggested that this fact also needs to be clearly presented.

The Sierra Club, Pacificorp, West Associates, Colorado and Utah submitted sets of principals for consideration.

Suggested Principles

Sierra Club

- Must address SO₂, NO_x, Hg & CO₂ from western power plants
- Strategy protects public health & visibility
- Must achieve actual emission reductions & air quality benefits in the west that are superior to existing CAA programs
- Must be protective of both regional & local air quality
- Must maintain bedrock CAA programs for protecting/enhancing western air quality, including Class I areas, and advancing local new control technologies
- must recognize that the fate and transport of mercury has both local & regional characteristics
- must lower emissions of CO₂ in a reasonable timeframe
- must allow states to continue to achieve pollutant reductions in excess of minimum federal requirements

Pacificorp

- adopt strategy which reflects the unique Western air quality & energy challenges
- codify SO₂ emission reductions requirements of the WRAP program (don't throw out the consensus agreements that have been hammered out)
- establish a WRAP process to develop western regional emission reduction requirements (cap, trading program) for NO_x. The emission reduction milestones should be the result of a process that balances environmental benefits with economic costs
- set mercury reduction targets based on control technologies availability, that clearly achieve meaningful reductions on a cost effective basis for different coal types

- eliminate piecemeal air regulations (ie/ NSR, NSPS, regional haze, section 126, section 112 for mercury) made unnecessary by the enactment of multi-pollutant legislation

WEST Associates

- support a streamlined power plant emission reduction program that eliminates duplicative regulatory programs
- a uniform "one size fits all" emission reduction requirement does not recognize the progress made in the west
- build SO₂ policy on the recommendations of a stakeholder process similar to the successful GCVTC/WRAP model, and use that as the basis for allocation of emission credits to western power plants
- NO_x policy reflects the fact that there are no ozone non-attainment areas in the west outside of California. The costs of NO_x emission reduction should be proportional to the potential benefits of those controls
- Hg policy should consider risk-based geographic differences, in order to focus resources on those pollutants where air quality improvements can be achieved
- NSR & regional haze rules should be replaced with more efficient emissions cap & trade systems. Source specific controls should be required only if necessary to attain NAAQS
- states/tribes should be given greater flexibility in designing SIP's/TIP's to address local & regional environmental goals

The Colorado and Utah states' proposals were not reviewed at this meeting, but they will be considered. It was decided that the next step is to summarize all of the comments and proposals for this multi-pollutant legislation position paper, and see if they can be combined into a few principles that the WRAP can support. A workgroup was selected to work closer on this matter, consisting of Ira Domsy, Doug Lempke, Bill Grantham, Reuben Plantico, Chris Shaver, Bruce Polkowsky, Lucille Van Ommering, Vicki or John Nielson, Julie Simpson and Pat Cummins. They were directed to work on SO₂ and NO_x as their first priority.

Research Questions that should be examined include:

- how are we to calculate the cap & milestones EPA
- problems with "piecemeal" regulatory programs (NSR, PSD, etc) . Utilities
- MTF articulate assumptions WRAP
- NO_x control strategies (all utilities) Utilities
- contribution of utilities to NO_x emissions to NO_x problems . . . TOC/NPS
- ND & SD are not part of the western electricity grid, therefore they could be subject to different rules than the rest of the WRAP Workgroup

★ Clean Air Corridors ★

Andy explained that we are trying to determine whether it is appropriate to include some of the urban areas in portions of the current §309 CAC proposal (Appendix I). It was explained that the CAC boundary were derived by taking the monitoring data from the 20% clean days at Hopi Point, and then calculating back-trajectories, defining where those clean air parcels came

from. Then a statistical analysis was made to maximize the amount of clean air reaching the Grand Canyon, while minimizing the area of the transport region included in the CAC boundary.

It was suggested that it requires more stringent management within a CAC. If an increase in emissions occurs within that boundary, then you must apply some control to offset this increase and maintain the clean days. But it was also pointed out that if you are outside the CAC, and your emissions affect the 20% clean days, then you still have to do something about it.

There was some discussion that because we are talking about "clean days", even if we had a relatively large change in emissions (50%, 100% ???), such change still won't have a great impact on visibility because a large percentage change in a small number still results in a small number.

Rick Sprott wanted to someone to look more closely at what it really means for a source to be inside or outside the CAC. Members felt that they don't yet know what the full implications are, and he volunteered a representative from Utah to look at these impacts. Brian Finneran of Oregon was also interested, and he indicated that Diane Riley of Idaho would want to participate. FLM representatives will also be part of this workgroup.

Chris Shaver made the point that whatever we do here, it will set a precedent for defining CAC's for the 100 other Class I areas in the West.

There was a suggestion we could conduct some sensitivity modeling to determine what level of emission change affects the clean air at the Colorado Plateau Class I areas. John Kowalczyk suggested that we use the FLAG guideline of 5% change as the benchmark to determine "significant" change. The workgroup will contact John Vimont and Pat Hanrahan to see whether the Modeling Forum can undertake such a task.

★ Fire Forum Update ★

Current projects being tackled by the Fire Forum include:

1. Natural Background (done)
2. Wildland Alternatives to Burning (contract is in place)
3. Agricultural Alternatives to Burning
4. Prescribed Fire Program Assessment
5. Public Education & Outreach
6. Emissions Estimation & Tracking
 - '96 baseline was submitted a while ago, but they have now developed a new emission factor for combustion of various wildland fuels, which

DOUBLES emissions, therefore they are working to resolve this issue w/ the MF

- '96 **wildland** data meets the modeling specifications, but there are a lot of holes in the **prescribed** fire portions of the data
- there is **NO agricultural** data for 1996 that meets the specifications
- this group is also working on an emissions tracking system for fire
- the RFP on 2018 fire projections is on the web this week (two weeks planned for contract bid review)

7. Enhanced Smoke Management Programs

- the working assumption is that an ESMP is required for §309 states
- ESMP is basically a SMP plus visibility (w/ more mandatory elements)
- ESMP elements include:
 - Level I . . . EI compilation & visibility impact assessment (significant)
 - Level II . . . add real time regional information requirement
 - Level III . . . emission reduction goals & tracking (restrictive)
 - Level IV . . . regional coordination of burn activities
(different areas of the region could be operating under different levels)
(visibility impact triggers movement between levels)
- annual emissions goal in RHR (debate on whether that means an absolute CAP, but in any case, there must be some enforcement mechanism)

8. Agricultural Outreach (Ag Air Quality Task Force needs education on RHR)

- issues include dust, CAFO's, fire, off road engines → sensitive

★ Staff Support ★

Tribal Caucus NTEC WRAP Grant is \$275K (will fund new staff job)
State Caucus \$110K WESTAR (will review resume's next week)
Technical Coordinator . . \$120K
Communications \$60K (partly Karen Dykie @ WGA & partly contractor)
Economic \$50K contractor retainer (issue an RFP next week)
General Policy \$170K (about 1.5 FTE)
(MTF, Fire)

Hiring Options Include:

- WGA Hire (\$35/hr, WGA has \$100K overhead out of \$240K budget - about 42%)
- Inter-Agency Agreement (must be state or local -- can't use Federal Grant to reimburse a Federal agency for staff time; would be a Federal Donation)
- Contract Hire

Pat will move forward with a vacancy announcement for the technical & policy positions. Then interview teams need to be formed, with a target to fill the positions around February 2002.

★ Economic Analysis Workplan ★

Fred Roach - economics plan

- relationship building w/ forums (what do they need; mobile, dust etc.)

- use what's out there, but develop some framework to fill the gaps
- (REMI runs cost about \$12K each)

Lucille Van Ommering suggested that CARB has PhD economists on staff that might be able to help.

★ Schedule ★

- IOC Conference Calls on January 23rd & February 21st
- IOC Meeting on March 20-21st