

To: WRAP Mobile Sources Forum
CC:
From: Bob Neufeld
Date: August 15,2000
Re: Minutes of June 7 & 8 MSF Meeting

MEMORANDUM

On June 7 the meeting was called to order by Co-Chair Kowalczyk at 10:00 a.m. Introductions were made. New CO-Chairman Bob Neufeld, VP – Environment and Governmental Relations for Wyoming Refining Company, was introduced to the forum. Also in attendance were:

Mike Boyer, WA Department of Ecology; Ann McCabe, BP Amoco; Hugh Dickey, Chevron; Paul Machiele, USEPA; Jim Lyons, Sierra Research; Mike Tunnell, Western Highway Institute; Thomas Brill, UT Energy Office; Vaughn Burns, Daimler Chrysler; John Cabaniss, Association of International Automobile Manufacturers; Nina Dougherty, Sierra Club; Dexter Sutterfield, USDOE; Susan Hardy, Mountain Land Association of Governments; Ran McDonald, UT Division of Air Quality; Joe Thomas, UT, DAQ; Ken Evans, Phelps Dodge Corp.; Duane Yantorno, Asarco, Inc.; Patrick Cummins, WGA.

John Kowalczyk briefly reviewed the MSF charges and work plan. John noted the main current action item is the completion of the base-year mobile source inventory being done under contract by ENVIRON. This and a future years inventory to be completed early next year will help to identify the year of minimum mobile source emissions for the purpose of recommending an emission budget and to help to identify the need for recommending additional control strategies. This data will also be used by the Modeling forum to project impacts on regional haze. The Mobile Source Forum will need to complete all its primary work including making recommendations to states for the mobile source component of their 2003 Regional Haze SIPs by the end of 2001.

John Kowalczyk then reported on EPA's proposed final action regarding the WRAP's recommendations on the gasoline sulfur rule. EPA intends to publish August corrections to the final rule that add counties in Minnesota, South Dakota, Nebraska, Arizona, Nevada, Oregon and Washington to the geographic phase-in area (GPA) defined in the final rule. These are counties that have been identified as within the historic market area of GPA refineries and were recommended for addition by the WRAP MSF gasoline Task Force in consultation with affected states. A map of these additional counties was provided.

Paul Machiele of EPA OTAQ briefed the MSF on EPA's proposed rule for heavy-duty on-road diesel vehicle emissions and on-road diesel fuel sulfur requirements. EPA is proposing to reduce heavy-duty on-road diesel particulate and NO_x emissions by about 90% from current regulated levels. EPA believes that Diesel fuel sulfur content must be reduced by 97% under EPA's proposal to a cap of 15 ppm in order to achieve these emission reductions. There was discussion of available vehicle technologies, foreign diesel fuel standards and incentives, distribution issues and other aspects of the proposal.

Bob Neufeld reported on the Gasoline Sulfur Task Force' May 18 briefing and subsequent deliberations on EPA's proposed diesel rule. The Task Force is considering whether to recommend to the MSF and the WRAP that the WRAP organize a task force

Wyoming Refining Company
1600 Broadway, Ste 2300
Denver, CO 80202-4923
Phone – (303) 894-9966 x19
FAX – (303) 894-7929

for the submission of WRAP comments on the proposed diesel rule and, if so, what the composition of a proposed Diesel Sulfur Task Force should be. The Gasoline Sulfur Task Force has not reached a decision. The MSF agreed on the following description of its discussion on the issue:

At the June 7 meeting of the Mobile Source Forum Bob Neufeld, Mobile Source Forum co-chair, reviewed the Gasoline Task Force's status report on the May 18 briefing and the Task Force's subsequent discussions. **MSF discussion was centered mainly on the following comments:**

- **There appeared to be no consensus among the MSF stakeholders on the diesel fuel sulfur standard or implementation date, but there was general recognition and support for emission reductions achievable by the proposed rule.**
- **There was general agreement that a program to achieve similar emission reductions from off-road vehicles should be pursued ASAP. All or nearly all present felt additional sulfur reductions in off-road diesel fuel were worth pursuing but that this could not be included in the present rule without repropounding the rule in the federal register and delaying EPA's adoption deadline. EPA reported that it intends to follow up with an offroad proposal in 2001, which would be implemented in the same time frame as the on-road diesel.**
- **There was recognition that the proposed diesel fuel sulfur implementation date is imposed virtually on the same delayed compliance date that WRAP recommended and EPA adopted for gasoline sulfur for PADD IV refineries. There was agreement that EPA should consider ways to alleviate possible construction logjams and fuel supply disruptions and disproportionate fuel cost increases in the West result from such action.**
- **There was general support for financial incentives to refiners to ease compliance burdens and stimulate timely compliance as has been done in Europe.**
- **There was concern by many stakeholders about the likelihood of success, i.e. - reaching a consensus; about the limited resources available to devote to WRAP comments on the diesel rule; and that, as a result, pursuing a consensus on WRAP comments may not be a worthwhile endeavor.**
- **On the other hand several people commented that, in light of the concern over potential refinery closures and resulting impacts on consumer pocketbooks, it is important that we pursue a way to achieve the emission reductions of the rule in a more efficient manner. It was noted by one MSF member that the Task Force had no idea of its chances for success on the gasoline rule and, yet succeeded.**
- **Without a formal vote, the MSF discussion ended with the Task Force members agreeing to continue efforts through June 23 and report again to the MSF.**

The MSF adjourned for the day at about 4:00 p.m.

On June 8, Co-Chair Kowalczyk convened the MSF meeting at 8:30 a.m. Additional attendees were Paul Carr, WA Department of Ecology; Paul Cartwright, MT DEQ; Tracie R. Jackson, USEPA; Scott Festin, Wasatch Front Regional Council; Rick McKeague, UT DAQ; and Glade M. Sowards, UT Office of Energy and Resource Planning.

John Kowalczyk and Mike Boyer reviewed the overall WRAP work plan and budget, copies of which were provided. Much current effort is being directed toward completing the Annex for SO₂ reductions adopted by the Grand Canyon Visibility Transport Commission. A 40% budget shortfall is expected in FY'00 which will necessitate work

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plan and budget downsizing. There are plans for creation of a Technical Center, possible administered by WESTAR which would coordinate and conduct regional haze modeling. A northwest center in Seattle reports that its models for ozone are very accurate. There is interest and hope of expanding the baseline mobile source inventory to include toxics. March 1, 2001 is the target completion date for the emission inventory on toxics.

Paul Carr of WA Department of Ecology presented findings from a study on relationship between land use patterns, particularly density, and mobile source emissions. The study, based on vehicle diaries of thousands of volunteers, indicated that "smart land use" patterns could reduce NO_x emissions from residents in an area by 9%. Tracie Jackson, USEPA Office of Transportation and Air Quality, reported on EPA's policy regarding land use and air quality. EPA has drafted guidance for including emission reduction goals and techniques in land use plans. EPA also allows SIP credit for up to 3% reductions for the implementation voluntary strategies. There was discussion on how to integrate the concept of land use into the MSF work product. **The MSF members agreed that smart land use should be continued as a possible recommended strategy for inclusion into state Regional Haze SIPs.** The travel work group was instructed to send EPA an email indicating the interest in the WRAP of land use controls as an emission reduction tool and the possibility of requesting financial assistance to complete WRAP work. The work group will identify and outline alternatives and possible need for contractor assistance to complete a guidance document for including "smart land use" in the MSF work product.

The meeting ended with a discussion of the following carryover items:

There will probably be an MSF conference call to discuss the diesel sulfur rule after the Gasoline Sulfur Task Force has made a recommendation on whether or not the WRAP should proceed on the diesel sulfur rule.

The contract for the emission inventory projections needs to be completed very early next year. MSF members should expect to see an RFP in their mail for comment this summer.

The MSF needs to scope out recommendations or control strategies for its work product. The scoping should include "off-road" or "non-road" reductions in advance of EPA's expected off-road diesel proposal in 2001. **It was felt that WRAP recommendations on non-road diesels might influence EPA's proposal if done in a timely manner. The MSF agreed that a new work group should be formed to address this issue.** John Kowalczyk indicated he would seek a chair for this workgroup; perhaps Edie Chang of ARB since ARB has a great interest in EPA further regulating this source class. **It was concluded that a second new work group on in-use deterioration of mobile source controls, particularly for diesels, might be worth forming.**

MSF members should expect a two-day meeting in late winter, after the base year and future inventory is done, to examine implications for control strategies, and make preliminary strategy recommendations for further cost-effectiveness analysis and modeling etc.

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In the summer of 2001, the MSF will probably be looking at the results of contract work including modeling, budgets, caps, etc, finalizing recommendations and preparing to send a package out for public comment.

There will then be a public review process. Flyers from the Market Trading Forum were distributed as an example from the MTF public review process.

Membership changes were discussed. MSF members were asked to identify potential members from the mining, railroad and homebuilding industry as well as a new public member.

The meeting adjourned at about 1:30 p.m.