



**Minutes for the GHG CEQA Significance Threshold
Stakeholder Working Group #9
Thursday, March 19, 2009
SCAQMD, Room GB, 10:00 AM – 12:00 PM**

1. Welcome and Introductions

Dr. Elaine Chang, Deputy Executive Officer of SCAQMD's Planning Rule Development and Area Sources Division, called the meeting to order at 10:00 A.M. and asked for self introductions of the working group members and SCAQMD staff.

2. Recent GHG Activities

Dr. Smith recapped the adoption of SCAQMD staff's GHG proposal to the Governing Board and direction, the status of CARB's GHG proposal, and OPR's GHG proposed update to the CEQA Guidelines. OPR provided an update to the working group regarding their progress.

CARB's delay in their GHG threshold activities has caused other agencies to work on developing their own GHG thresholds (e.g., BAAQMD, SJVAPCD). In addition, CAPCOA has started a working group to examine GHG mitigations.

OPR has released updated CEQA Guidelines and has held two public workshops. The CEQA Guidelines will be provided to the Resources Agency by July 2009. Ms. Terry Roberts, Director of the State Clearinghouse in OPR, stated that OPR staff is working on responses to 80 comment letters and revision the proposal. Ms. Leila Barker, LADWP, stated that the CEC has developed a guidance document for GHG impacts in power plant siting applications. The document states that CEC will rely on other agencies to develop GHG thresholds. CEC will rely on a statewide energy plan, Integrated Energy Policy Report (IEPR) and complete GHG analysis on a project-by-project basis. Ms. Janill Richards, Deputy Attorney General, stated that an advisory document for GHG evaluation in general plans has been posted on the Attorney General's webpage (http://ag.ca.gov/globalwarming/pdf/CEQA_GP_FAQs.pdf).

Comments/Questions on Recent GHG Activities

- A working group member asked SCAQMD staff to place a link to the AG's Office's general plan advisory on the SCAQMD GHG working group site. Dr. Smith stated that it would be done.
- A working group member asked how SCAQMD GHG working group members could become involved with CAPCOA's GHG mitigation effort, since public participation is not typically allowed with CAPCOA's working groups. Dr. Chang stated that she would keep the SCAQMD GHG working group members updated with CAPCOA's GHG mitigation effort and will provide the opinions of the SCAQMD GHG working group when participating in the CAPCOA meetings.

- One working group member wanted to know if the 30 percent reduction from BAU component was still expected to be a component of Tier 4 of SCAQMD staff's proposal to the Governing Board. Dr. Chang stated that SCAQMD staff is evaluating the legality of using a performance standard for a GHG significance threshold. If SCAQMD staff determines that performance standards are legally allowed, then various performance standard options will be evaluated.
- One working group member stated that she believed that performance standards could be legally used as significance thresholds. The working group member stated that both a performance standard and a numerical significance threshold would be required. She stated that without both there would be an unfair burden on large projects captured by a numerical significance threshold, since projects below this threshold would not need to do anything. She stated because of the magnitude of GHGs that would need to be reduced to return to the 1990 GHG emission levels, all projects would need to reduce GHG emissions to obtain the goal. In addition, she said, without the performance standards, projects that do not trigger the numerical significance threshold would not have the impetus to become more GHG efficient. Dr. Smith said that this proposal would be similar to the one proposed by CARB.
- The working member was also concerned that using a 90 percent emissions capture rate for a significance standard might be considered a 90 percent reduction of emissions or zero threshold. Dr. Chang emphasized that project proponents with projects that are captured by the threshold would need to prepare a mitigated negative declaration (MND) or environmental impact report (EIR), but would not necessarily be able to mitigate all of their GHGs. Based on the evaluation of boilers a 90 percent capture rate would only result in 15 percent of the boiler applicants needing to prepare a MND or EIR as a result of the GHG impacts.
- The same working group member asked if complying with SB375 would comply with the SCAQMD threshold? Dr. Chang states that complying with SB375 may satisfy the transportation targets, but that not all CEQA project are subject to SB 375.
- A working group member asked if SCAQMD expected to revise the adopted GHG significance threshold for industrial projects. Dr. Chang stated that there are no current plans to revise the industrial threshold, but that it may be re-evaluated once CARB establishes their GHG threshold.
- One working group member noted that there is a legal argument that even where a project implements efficiency measures (i.e., resulting in relatively lower GHG emissions per capita, per unit, per square foot, etc.), the project may still have large overall GHG emissions and therefore may still be significant. Therefore, a regulatory threshold of significance that is based only on performance standards may, in theory, be subject to legal challenge. The member stated that the AG's office has not taken a position on this issue.
- A working group member stated that he believed that performance standards would be appropriate. He also stated that the Governor's executive order and other early

legislation do not do enough to help curb recent climate change concerns given the latest improved science on GHG emissions and the need for more stringent measures.

- A working group member noted that like the CARB proposal, it is important to have performance standards for projects under a threshold to ensure all projects contribute to a solution. However, performance standards absent a numerical cap would not be appropriate. With the industrial threshold, performance standards did not seem as appropriate because it dealt with boilers, which must meet BACT requirements. This is not the case with residential and commercial development.

He also stated that the latest scientific data indicate that that targets set by AB 32 and Executive Order S-3-05 are insufficient to avoid dangerous atmospheric interference with the climate. So, mere compliance with these targets does not necessarily mean that the impact is less than significant.

3. GHG Emissions Inventory Methodology

Agenda Item #3 was postponed because of time.

4. Residential/Commercial GHG Significance Threshold Work Plan

Dr. Smith summarized the progress on the residential and commercial work plan. The work plan would identify the 90 percent GHG emission capture rate level. SCAMD has hired a consultant to survey the last two years of CEQA documents submitted to SCAQMD for intergovernmental review. Each project will be logged into a spreadsheet which includes a project description and GHG emissions from construction and operation. If GHG emissions were not included in the CEQA document, they will be estimated using the URBEMIS model. GHG emissions for electricity use will be estimated from data in the CEQA document or the CARB protocol will be used for documents without electricity information. After data collection and GHG emissions are calculated, statistical analysis will be done on the data to estimate the 90th percentile of GHG emissions. To date, there are 286 projects in the data set. Of the 242 surveyed so far, there are 25 residential, 79 commercial, 51 industrial, 46 mixed use, and 43 general or specific plans that will not be evaluated. Detailed evaluation will occur by land use category (i.e., commercial, mixed use, residential and industrial). Preliminary results are expected by next GHG working group meeting.

Comments/Questions on the Residential/Commercial GHG Significance Threshold Work Plan

- A working group member stated that there needs to be transparency of the methodology. He would like to see how the analysis is being conducted so that the working group can evaluate and comment on the analysis. He stated that placeholders should be used to show GHGs that were not considered in the analysis. He asked that the methodology and results be presented in advance of the working group meters so that members can scrutinize and digest the data before the meeting when they will be

discussed. Dr. Chang stated that the methodology would be prepared and provided to the working group in advance of the working group meetings.

- A working group member stated that the 90 percent GHG capture rate should not be developed from only the CEQA documents received by SCAQMD for review. She added that the data set used may not be broad enough. She stated that there are other projects that do not have CEQA documents but they exist because they have a building permit and/or an air quality permit (e.g., industrial boilers). She questioned whether the working group wants the current process to identify only 15 projects that generate 90 percent of the GHG emissions as was the case for the industrial threshold. Another working member stated that the BIA has a database of building permits.

Dr. Smith reiterated that the goal is to identify what capture rate comprises 90 percent of the GHG emissions. SCAQMD staff can review the BIA database, but that the Residential/Commercial GHG Significance Threshold process needs to continue to be developed using the best and reliable data available.

- A working group member asked if VMT defaults in the URBEMIS model were to be used in estimating GHG emissions for the projects that did not report them in the CEQA documents. Another working group member questioned the assumptions used in the URBEMIS model. Dr. Smith reiterated that the URBEMIS defaults would be used.

5. Other Topics

None.

6. Closing Remarks

Dr. Smith stated that updates of the work plan, CARB and OPR progress in GHG guidelines and development of the GHG emissions inventories would be presented at the next GHG working group meeting. The next meeting is scheduled for April 22, 2009 in meeting room GB at 10:00 AM.

7. Other Business

None.

MEMBERS PRESENT (17)

Lysa A. Aposhian for Greg Adams - Sanitation Districts of Los Angeles County
Leila Barker for Gretchen Hardison – Los Angeles Department of Water and Power (LADWP)
Doug Feremenga - San Bernardino County Land Use Planning Department
Patrick Griffith for Greg Adams – Los Angeles City Sanitation District (LACSD)
Michael Hendrix - PBS&J
Clayton Miller – Building Industry Association (BIA) – *on conference call*
John Pastore - Southern California Alliance of Publicly Owned Treatment Works (SCAP)
Bill Piazza - Los Angeles Unified School District (LAUSD)

Janill Richards – Attorney General’s Office – *on conference call*
Terry Roberts – Office of Planning and Research (OPR)
Debbie Stevens - Refineries
Jocelyn Thompson - Alston Bird
Matt Vespa – Center for Biological Diversity (CBD) – *on conference call*
Lee Wallace – San Diego Gas and Electric (SDGE)
Michael Wang for Cathy Reheis-Boyd – Western State Petroleum Association (WSPA)

OTHERS PRESENT (10)

Andy Henderson – Building Industry Association of Southern California (BIA/SC)
Marcia Baverman - Environmental Audit, Inc.
Sue Gornide – British Petroleum (BP)
Frances Keeler - Keesal, Young and Logan
Sung Key Ma – Riverside County Water Management District (RCWMD)
Ian MacMillian - Los Angeles Unified School District (LAUSD)
Vince Mirabella - Michael Brandman Associates
Haseeb Qureshi - Urban Crossroads
Susana Perez - Justice and Associates
Samantha Unger – Evolution Markets – *on conference call*
Suzanne Wilson - City of Anaheim