

Clean Air Act Advisory Committee
October 6, 2010
Crowne Plaza Washington National Airport Hotel
Arlington, VA

Welcome and Opening Comments

Rob Brenner, United States Environmental Protection Agency (USEPA) Office of Air and Radiation (OAR), welcomed the committee members and began the meeting by commenting that USEPA is in the midst of a process where they are doing the normal implementation for the Clean Air Act (CAA), as well as a lot of catch up work. They are also working on integrating climate and clean air work.

Gina McCarthy, Assistant Administrator of USEPA OAR, welcomed the new committee members, and thanked the returning committee members for their hard work and the reports that they have produced over the years. Mr. Svenson looked at the greenhouse gas (GHG) and best available control technology (BACT) issues, which was an enormous task. USEPA will be regulating GHGs as a pollutant under the CAA as of January 2, 2011, which will need to be taken into account when they regulate industries and permits. Ms. McCarthy also thanked the states for working with USEPA through this process.

Ms. McCarthy gave thanks for everyone who worked on the voluntary partnership and community-based partnership report. There are many wonderful partnerships, including many that are associated with GHGs and climate change. These programs have proved to be tremendously effective throughout the Agency, and have provided them with the opportunity to get up to speed on GHGs in a way that allows them to begin at a good pace when they move to regulatory programs. However, this does not mean that all voluntary programs are still useful. Ms. McCarthy thanked members who submitted reports about the effectiveness of voluntary programs, and USEPA does not intend for this to be a one-time issue, but a constant process. While programs may have been successful, they may have achieved the goals they set forth, and therefore, might no longer be necessary. They want to focus on areas that are constantly cutting edge and new, and they do not want to compete with NGOs, but rather to be able to shift resources where they are absolutely necessary.

Ms. McCarthy said that when she came into the Agency, looked at the workload, and met with constituents, it became clear that without a rethink of allocation and a rethink of what USEPA does and how they do it, it would be impossible to get the job done. They needed to be more creative in terms of regulating industries. This has led to their discussion of the multi-sector approach, which she credited as providing the best opportunity to coordinate their approach to achieve the goals they have set.

The effort to take a closer look at USEPA's voluntary programs is not just an effort to increase regulation. The voluntary programs are an essential component of the strategy, but they needed to take a careful look at their resources to match them with the most creative and compelling ways to get their messages out and reach the goals they are trying to meet.

Ms. McCarthy noted that she went to New Orleans to discuss the decisions regarding Climate Leaders. Ms. McCarthy wanted to make sure that people know USEPA is going to be recognizing climate leadership, not just Climate Leaders, and to think about how their recognition has changed. Mandatory reporting does not take the place of real sustainable thinking, and they will have opportunities to continue to do the recognition, but at the same time they have many other organizations that are less established and influential, that need more of their support.

They are also going to move forward with some work they are doing with the tribes. They need to get the rules out to allow tribes to become more competent, in terms of capacity-building and increased information, to enable them to manage their own resources and lands more effectively.

Ms. McCarthy then discussed the CAA's 40th anniversary celebration, which gave them the opportunity to remember the challenges faced as the Act began and as the changes were put into place. They have managed to meet all of the standards and make the necessary reductions in a cost-effective way in the past, and they will manage to do it again.

Administrator Jackson's speech at the ceremony shows how fiery and committed she is to the Agency. She listed some principles regarding how she expects the Agency to deliver in the future. Similar messages were applied at the beginning of the CAA and in the changes to the CAA in the 1990's, and they continue to be the same. They now need to identify the best strategies moving forward.

Ms. McCarthy stated that one of the most exciting things she has been involved with is starting to take a closer look at, and become more active in, some of the current international issues. There are a couple of initiatives she is becoming more active in, including the cook stoves issue and the problems associated with open burning and traditional cook stoves that are used all over the world. USEPA has developed a great international partnership around these issues. There are companies now that are producing cook stoves that eliminate these problems, and are sensitive to the cultures and fuels available in different regions of the world. They are looking forward to this becoming an aggressive, well funded, and visible issue moving forward.

Another issue that they are working on is the Methane to Markets program. The Methane to Markets program jumpstarts interest in developed and developing countries to make real progress with regard to methane, transforming it to a global methane initiative which now involves 38, almost 39, countries.

USEPA has also put out a notice of intent to send a longer-term signal about light-duty vehicles. This gives them opportunities to develop better engines, hybrids, and electric vehicles, as well as focusing on what needs to be done now to spur companies to keep moving forward with technology. They will build a regulatory structure in July, 2011, that will enable automakers to choose their own path moving forward.

They also have a GHG rule proposal for heavy-duty vehicles that is currently sitting at the Office of Management and Budget (OMB). This proposal takes the ideas used for light-duty vehicles and applies them to heavy-duty vehicles.

The GHG BACT document is currently under interagency review, and USEPA is working on the ozone standard as well as an ozone implementation rule. They have a commitment to an end of October timeline for those rules to be completed.

These are clearly not the only initiatives USEPA is working on, but they give the new members a flavor of the breadth of opportunity and the challenges moving forward with this Agency.

Member Introductions and CAAAC Operating Principles

Pat Childers, USEPA OAR, acknowledged that there were many new members on the committee seated around the table, and spoke about the two reports they would be voting on. The CAAAC process involves brainstorming ideas, breaking each idea down, and then providing the ideas to Ms. McCarthy for input. They must find topics on which they can give timely advice, and create workgroups to tackle specific topics. He explained how important it is to trust the opinions formed by the workgroups, since they are designed to be a balanced mix of opinions, and ultimately put in a great deal of time debating and discussing the topics they are charged with. The workgroups bring their reports to the full committee because the full committee is the only body that can formally bring recommendations to USEPA.

The agenda for the full committee meeting usually opens with an update from the Assistant Administrator, then ongoing business, and then new business. He explained that a consensus vote on the reports presented during the meeting indicates that the committee deems the topics of the report important for the Agency to review. The purpose of the vote is to indicate consensus that the report should get to USEPA so that they are able to respond to it. Mr. Childers then asked existing members if they had any input on what they felt the CAAAC has done successfully and what they would change in the future, and opened up the discussion for questions and comments.

Howard Feldman, American Petroleum Institute, addressed his question to Ms. McCarthy. As a member of the regulated community, he wanted to emphasize the importance of providing opportunities to understand the guidance. He explained that having the opportunity for industry members to provide feedback to the Agency was equally important, as well as having the opportunity to provide input about any white papers that are being developed. Mr. Feldman urged that the members of the regulated communities be built into the process.

Ms. McCarthy agreed with Mr. Feldman's point. While the Agency knows how important this GHG guidance document is, she emphasized that it is a guidance document and not a rule. She said that it is important that the underlying policy decisions behind the guidance were clear and technically accurate, and that they would work to ensure this as a group. As the guidance document goes out there will be room to make adjustments and clarify parts. Ms. McCarthy said that while they are important, guidance documents do not need to go through the same rigor in terms of public comments and response. The most important part is that the document is

understandable, and that it provides states with the information they need to make their decisions. She said that she is not interested in making this a formal process, but rather would like to do a lot of outreach and collaboration in order to create the best possible document.

Eddie Terrill, Oklahoma Department of Environmental Equality, thanked Ms. McCarthy and addressed his comment to Bill Harnett and Steve Page. He said that on November 1, 2010, the region 6 and 7 states would be meeting as a group to talk about air quality issues. One of the issues they are most concerned with is how best to deal with the permitting issues associated with SO_x and NO_x NAAQS. Additionally, the most vexing issue they would be discussing is how to deal with the modeling issue for SO₂ attainment demonstrations. The goal of the meeting is to come up with scenarios they can all agree on, and he said they will likely come up with issues to bring to the CAAAC for advice.

Janice Nolen, American Lung Association, commented on the regulations that were coming up over the course of the next year. She spoke to the fact that the Lung Association was responsible for bringing forth challenges to the old system, and the legal action that ensued. She thanked the CAAAC for accepting the challenge to make things better and put the work in to move forward.

Lee Kindberg, Maersk Incorporated, said that her colleagues around the world are mystified by the level of perscriptiveness and enforcement that exists in the United States. The challenge is, when looking at the more global issues, such as GHGs and long distance transport of criteria pollutants, how we can ensure that other nations are living up to the set standards.

Ms. McCarthy responded that in all the work USEPA does, this becomes one of the major issues. A great deal of analysis goes into considering what impacts rules and standards will have on the viability of U.S. companies and what would be impacted by international changes.

Mr. Harnett commented that compliance and enforcement are always a difficult issue for everyone to deal with. In the long-range trans-boundary air pollution area the solution they came to was putting everyone on a different schedule. Everyone had to report all their compliance information annually with all of the treaties they may have agreed to on air pollution, and then an independent committee evaluates all of the submitted information and makes a determination about whether they have met the requirements. If someone falls short of the requirements, they receive a letter from the executive body that raises questions and demands answers, and they will insist that the individual country actually appears before the executive body to state their case. It is a very forceful mechanism and has been very effective.

Don Neal, Calpine Corporation, commented that one of the things Ms. McCarthy did not mention in her report was the transport rule, which has improved upon the Clean Air Interstate Rule (CAIR), and he wanted to compliment the Assistant Administrator on that. One issue that struck him while he was reading the rule related to the use of dispatch modeling for making policy decisions. He asked if Ms. McCarthy could comment on how dispatch modeling applied in the real world.

Ms. McCarthy responded that the finalization of the dispatch rule is approaching, and that the comment period for the rule ended October 1, 2010. The transport rule was the makeup for the

CAIR, which had been vacated by the courts and remained back at USEPA. It called for significant reductions in pollutants that would help the downwind states both achieve and maintain attainment. It is important to look at how energy is dispatched, as significant reductions could be the product of the energy and environmental world working together.

Mr. Svenson, PSEG Services Corporation, stated that his company has taken a very strong view on climate change over the years, and believes it is the preeminent environmental issue of the time. New alarming information is emerging about potential gas exploration activities and the upstream impacts of methane release, so he encouraged the Agency to look at the upstream impacts of gas as well as other fuel sources and make this a big priority in the near future.

Jason Walker, Northwestern Band of Shoshone Nation, stated that regulations at the reservation level bring up many transportation issues, as they do not have title five sources on the reservations. Further, tribes in Alaska have global warming issues which hurt their hunting and fishing and sovereignty rights. His hope is that everyone on the committee will be willing to discuss these issues as they come up within subcommittees.

Stacey Davis, Center for Clean Air Policy, said she appreciated the involvement on the international front, and agreed that it is a very important issue to many on the committee. She mentioned how effective the Methane to Markets program has been, as well as the cook stove program from a public health standpoint. Developing countries are pulling together nationally important mitigation programs, and said that the United States should have an interest in making sure they are effective and ambitious, and she asked what USEPA saw as their role in insuring this is the case.

Ms. McCarthy responded first to the issues surrounding climate change. She said they will have a presence in Mexico and will lead discussions in several areas. She spoke about their expertise in Monitoring Review and Verification (MRV), and that they have a strong history in doing it domestically. There is also a need for capacity-building in this issue, and this begins with really good inventories. This is an interesting part of the shift from Methane to Markets to the Global Methane Initiative. Methane to Markets takes place in developing countries that have access to resources through mining, agriculture, and landfills that can capture methane and create electricity. In shifting to the Global Methane Initiative, the focus will be placed more broadly on sectors with mitigation strategies and the development of country-by-country action plans. Having individual countries look at their inventories provides opportunities for real action to happen that otherwise may have been missed. The ability to play such a role in the international community is one that USEPA is looking forward to playing.

Ms. McCarthy also brought up the boiler MACT and said it has significant cost as well as opportunity for reductions. The rule encompasses a couple hundred boilers and is scheduled to be completed in January 2011. The issue with this rule is how to address biomass and how to understand its uniqueness and use it as a strategy to address climate change, while at the same time meet the obligation of looking at BACT for the reduction of carbon emissions.

Lisa Gomez, San Diego Gas and Electric, responded that she was glad Ms. McCarthy raised the issue of biomass. It is a very significant issue in California, as 3 percent of their generation

comes from biomass, and it is a utility that has an aggressive renewable portfolio standard goal. Her primary reason for commenting is to remind people that in the initial discussions as a CAAAC subgroup they began discussing this issue, yet decided it was outside of their scope. It was tabled, but a lot of great discussion resulted from it, and she encouraged the Agency to tap into that.

Ann Weeks, Clean Air Task Force, added that it was more than a just discussion, and that there are white papers in the record. She encouraged them to look at regional implications of biomass and not just the national question, as it is quite specific to regional growth patterns.

Ms. McCarthy thanked everyone again and encouraged people to submit questions or comments whenever they have them.

Voluntary and Community Programs - Report Out and Vote on Recommendations

Kathryn Watson, Improving Kids' Environment, began by explaining to the committee that in May of 2010, Ms. McCarthy requested that CAAAC provide a guidance document that was to include information and recommendations on USEPA's voluntary and community-based programs. The guidance was designed to focus on ways to better enhance the strategic use of such programs with the limited resources available. A subcommittee was formed and formally convened in May of 2010 to create a draft of guiding principles describing when is best to invest in voluntary and community-based programs, how best to invest, and to provide a set of questions that needed to be addressed.

The terms "community-based" and "voluntary partnerships" are used to describe a wide ranging group of programs that USEPA sponsors. These are all non-regulatory programs and fall into two categories: community-based programs, which are programs that build capacity among communities to improve the environment (i.e. Sustainable Community grants, Smart Schools, and CARE grants); and partnership programs, which focus on industry and other sectors to promote sustainable practices (i.e. Smart Way and EnergyStar).

The report lists a few key observations and recommendations. The first is the affirmation that these programs act to complement, but not replace regulatory programs. The second key recommendation is that all partnership programs begin with a clear, consistent, written plan followed by a regular strategic review to continually improve the program. Third, partnership programs should maximize opportunities to leverage resources and seek opportunities to leverage resources with other groups, including resources from within the community, industry, academic organizations, foundations, and government entities. The final recommendation is to identify and share best practices within USEPA as well as with outside partners.

Tim Larson, Boss Associates, has done active consultation with different offices within USEPA to get an idea of the status and composition of USEPA programs. In terms of principles and leverage, OAR's principles provide an effective tool for guiding design, implementation, and management of partnership programs; although improvements can be made to enhance the principles to ensure their effective use. It may also be advantageous to think about interagency

leveraging opportunities. Additionally, towards the end of the report are a set of guidance documents that show states how to receive credit under the State Implementation Programs (SIPs).

In terms of program design there are five areas the group thought would be helpful to cover, through a planning template. These areas are: goals, objectives, and milestones; how a plan will achieve results like a logic model or theory change; plan for measuring communications performance and results; assessment of third party programs; and funding that describes how the proposed program will consider the opportunities to leverage external resources.

In terms of program implementation, there is some thought that USEPA has tended not to engage stakeholders early enough in the design process. The subcommittee encourages USEPA, and USEPA Regional Offices to reach out to these groups and communities and help them become participants.

When thinking about strategic review, it is helpful to attain information of the relationships between achieved results and proposed results relative to the scale. Lastly, for the continuous improvements to be successful there must be a catalyst of information sharing and collaboration from within and among programs by supporting peer-to-peer networks.

Joy Wiecks, Fond du Lac Reservation Environmental Program, commented that both Items 3.1 and 3.4 have tribal implications. Tribes would like to be considered for the voluntary programs in Item 3.1. They have been able to participate in conjunction with other groups, but would like full involvement. In regards to Item 3.4, tribes see themselves as co-regulators, not stakeholders. However, they do not have the resources to fully address problems such as mold, wetland-related issues, and home repairs.

Margaret Gordon, West Oakland Environmental Indicators Project, participated with USEPA for a collaborative modeling for West Oakland. She said that evaluations are a good step, but they need to take into account the human impacts. There needs to be an evaluation of what entities are making these health impact assessments. There needs to be more thought given to economic development in these communities. There also needs to be more information regarding who this collaboration involves.

Nicky Sheats, Director of the Center for the Urban Environment at the John S. Watson Institute for Public Policy, stated that in terms of environmental justice communities, empowerment through education and leadership should be a priority. The principles, he suggested, should include the early engagement of people in the community in the design of the program.

Ms. McCarthy stated that the interesting challenge being put forth is developing a plan before the program development plan that will include early collaboration. There is a need to define the measures of success and the goals on a project-by-project basis.

The group decided to further explore these issues at a later date.

Mr. Neal said that Calpine has been involved in these voluntary programs and has enjoyed much success. The Climate Leaders program in particular has provided excellent internal and external visibility for participants. There are, however, a few criticisms of the way USEPA handles these programs. Firms should not have to choose between growing their business and maintaining participation in the program. When Calpine was entering a state of expansion they could no longer comply with an absolute cap on GHGs emissions.

Ms. Nolen stated that it would be beneficial for all if these best practices were shared online. It would also be helpful to USEPA as it would provide a way for them to better understand the process of community participation.

Mr. Brenner stated that based on the comments given, the committee may want to make a few changes to the report. He asked if it would be possible for the committee to move forward with the understanding that these changes will be made.

Mr. Childers added that the changes will be made in the report, and everything said during the conference will be placed in the public record. Once those tweaks are made, we will give committee members a week to raise any issues they see in the revised report before moving it forward to USEPA. He questioned whether everyone was in agreement that the final draft, once changed, can be moved onto USEPA.

The committee was in agreement.

Subcommittee Report Outs: Economic Incentives and Regulatory Information Subcommittee and Mobile Sources Technical Review Subcommittee

Keith Mason began the discussion by stating that USEPA is already moving toward a multi-pollutant strategy. They are synchronizing timelines and conducting multi-pollutant strategies to identify emission control strategies that maximize co-benefit reductions. The subcommittee is working toward building an integrated cost, technology, and environmental database. Mr. Mason explained that the progression to this approach is complicated because there is a forty year old Act and twenty years of history regarding how USEPA goes about making these rules.

The white papers presented by OAQPS and Patrick Traylor describe some of the steps the subcommittee is taking as they look at different sectors. The white papers address what the regulatory and legal challenges to implementing sector-based, multi-pollutant approaches are, as well as how the coordination of regulatory timelines and requirements should begin within a sector, and which advanced technologies will assist in controlling multiple types of air pollution.

Mr. Mason stated that the main reason that USEPA is working in a sector-based process now, is because they have to. There are too many rules and deadlines that are due for review on periodic bases, most of which are still different. They are attempting to align themselves better so they can have a coordinated view in the process.

The challenge for every business in the United States is that every business has an energy budget which includes air pollution and emission numbers. Businesses are still developing strategies to integrate energy planning and environmental management and planning.

Some questions the subcommittee discussed include: 1) What are the market-based mechanisms that USEPA should be investigating for sector-based approaches that would help the sector to be more efficient, and is there advice from the past that should be brought in? 2) How can USEPA provide incentives for facilities to replace outdated or poorly performing equipment and improve energy efficiency while reducing malfunctions?

Mr. Mason listed some possible workgroup topics, including: exploring the challenges of reforming air pollution source category definitions from unit-by-unit to facility-wide definitions; exploring the challenges of developing emission standards for air toxics and criteria air pollutant programs based on a common set of regulated air pollutants; and exploring the challenges of utilizing work practice standards in situations where quantifiable emission limitations and reductions are needed.

Mr. Brenner announced that members should contact Mr. Childers if they are interested in joining the workgroup.

Bill Becker, National Association of Clean Air Agencies (NACAA), commented that it is a smart idea to develop a workgroup on this issue. However, he urged caution in changing the way in which USEPA reviews policies and laws and protects public health under the CAA. He voiced caution in coordinating regulatory deadlines, and stated that if this is done improperly, some stakeholders could argue that it leads to less health and protection because it delays some regulations in order to implement all the changes at once. He also cautioned that if all of the regulations are lumped together, litigation on one standard could slow down or even stop all regulations.

Ms. Weeks suggested exploring the benefits of evaluating all of these programs. When thinking about the multi-pollutant, sector-based approach, USEPA should look at how to evaluate the significant health and environmental benefits of reductions, and how to quantify reductions.

Ms. Wiecks commented that from the point of view of many Midwest tribes, there is concern about mercury because it gets into the food chain through fish consumption. Therefore, there may be some situations where co-benefits and surrogate pollutants are not appropriate.

Ms. Gomez voiced her support for the multi-pollutant, sector-based approach, and encouraged USEPA's focus on this. Having participated in a number of subcommittees that have struggled with complex issues like this, she has noticed that one issue many subcommittees face is how to deal with ideas that go beyond the existing Act or charge. Ms. Gomez made a suggestion for the subcommittee to decide what the charge is and how to deal with ideas that are not consistent with the existing Act early on in the process. The subcommittee should make that decision clearly and document the decision so that time is not wasted rehashing this issue.

Ms. Gordon commented that the document is confusing and does not clarify whether the document is operating from an operational perspective or an administrative perspective. There are also gaps in the current regulations, and this document does not clarify how to close the gaps when dealing with mobile and stationary sources. Coming from a public health perspective, it is important to determine whether you are dealing with risk or analyzing a health impact assessment.

Mr. Childers then led a presentation on the mobile sources technical review subcommittee. The subcommittee generally meets twice a year, once with the whole committee and once without, and the meetings run very similarly to CAAAC meetings. Some of the main meeting topics include the fuel economy labeling proposal, USEPA's notice of intent to set fuel economy standards for 2017 and later, the MOVES model for SIPs, as well as other issues of reporting and finance. Some possible ideas for future discussion include opportunities for vehicle mass reduction, a panel discussion on high emitters, with a highway vehicle focus, and the creation of a MOVES model review workgroup. There are also a few personnel changes coming up; Liz Etchells of the Office of Transportation and Air Quality will be taking over for John Guy as Designated Federal Officer (DFO). We will post information regarding the other subcommittee members on the CAAAC website.

BACT Workgroup Update – Report Out and Vote on Report from BACT/GHG Update

Mr. Harnett introduced the second report the committee was to vote on during the CAAAC meeting, which came out of the permits, NSR, and toxics subcommittee.

Mr. MacLeod, Environmental Defense Fund, stated that regarding the inherently efficient and lower emitting processes side, it was critical for USEPA to put out very clear guidance to ensure people know what the rules were from every level of the permitting process. A continuing dialogue between members of the regulating community, shareholders, and permitting authorities is going to be important to the future of the process.

Mr. Svenson continued the presentation, and stated that Ms. McCarthy tasked them with a charter, which was to figure out how BACT can be used to encourage energy-efficient processes and technologies (EEPTs), and how the development of innovative industrial technology measures and the promotion of inherently efficient low-emitting processes and practices for GHGs can be encouraged. The second part of this looked at how the Innovative Control Technology (ICT) waiver could be used or changed to better promote technology development and application.

For the EEPT charge, they spent a lot of time talking about GHGs and if they were uniquely different than other criteria pollutants. Some members held the view that PSD and top-down BACT had been effective in the past in achieving meaningful air quality and public health benefits as well as in promoting technology innovation that result in reductions. These members felt that PSD and top-down BACT will be useful in promoting EEPT. Other workgroup members argued that the PSD program inhibits and discourages projects that in the near term could

thoroughly reduce GHG emissions. The workgroup focused on how EEPTs could be applied within the BACT framework, and what the implications of that would be.

They divided the process into two areas: how EEPTs applied to new emissions units at an existing facility, and how EEPTs looked in modification to an existing unit, replacement units, or a greenfield facility. The first step was looking to see if there is any applicable benchmark information that may be useful during the initial stages of the GHG permitting process. The next part of the process had to do with scope. They looked at the equipment, facility, and production levels when discussing the policy implications of top-down energy efficiency analyses. They examined when might each level of analysis be appropriate, and concluded that a facility-wide scope applied for the greenfield new source units. The next question they asked was whether or not the appropriate level of analysis was the same for all industries. One thing the committee did agree upon was that there is an incentive to the applicant to look beyond the emissions unit if they could net out from PSD applicability. He explained this as a desire to look across the entire facility to come up with a netting approach. However, once the control application is determined for an EEPT, that energy efficiency may degrade over time unless there is some sort of intervention, so maintenance and production level controls become important.

The overall recommendations were that USEPA should provide guidance on how to apply EEPT within the framework of top-down BACT based on what the committee discussed. Further, they are encouraging USEPA to provide guidance to permitting authorities and permit-seeking entities as soon as possible. They recommend that EEPTs and relevant benchmarking data be included in the GHG mitigation database.

For the second portion of the report, most of the workgroup's effort was spent focusing on the ICT waiver which exists in the current PSD program regulations. The workgroup agreed that there are issues with the waiver including the very limited availability of the waiver for a given technology and application under current USEPA policy. Also, the time frame within which the owner/operator has to meet the BACT limit under any waiver is discouraging. Finally, the degree of risk borne by the applicant relying on a new or innovative technology to achieve an emissions limit, should the technology fail and an entirely different control technology be required, is a huge deterrent in seeking a waiver. The committee recommends that USEPA encourage use of ICTs for GHGs authorizing waivers for innovative technological systems of continuous emission reduction. In order to achieve this, USEPA should disavow its policy set out in the *Kamine* Memorandum, should formally and publicly state its views about the availability of the waiver, and should reevaluate the appropriate maximum waiver length. This would encourage innovation in technology for individual entities.

He summarized that the overarching finding of the group was to encourage USEPA to commit to working expeditiously with permitting authorities that wish to issue permits, including BACT limits, based on new or innovative technologies (using the waiver provisions as needed). Also, USEPA should take steps to foster information sharing regarding cases in which permitting authorities use the flexibility under existing law to encourage new and innovative technologies.

Mr. Paul, Regional Air Pollution Control Agency, stated that USEPA is going to be issuing PSD permits possibly January 2, 2011. The most important thing is to have a clear process and to

convey this to their membership. Secondly, it is important that members document the process and the reason why they made the decisions they did in order to follow it.

Ms. Weeks said that the task of the workgroup really boiled down to purpose and how to encourage innovation. Encouraging people to take the next step and move towards deeper reductions is the goal, and how to accomplish this is important. They looked at whether the Agency's current model for encouraging people could use tweaking or if it was adequate in its goal.

Ms. Davis raised the topic of benchmarks, as there are different kinds of benchmarks included in the report. She explained that these could help inform the development of top-down BACT. Since not all technology answers are within reach, different benchmarks reflect what levels of efficiency have been done at existing facilities.

Kelley Green, Texas Cotton Ginners Association, wanted to know, if this report is approved by the CAAAC, how it would be merged with USEPA's GHG document that is already in existence at OMB.

Anna Marie Wood, Director of the Air Quality Policy Division at USEPA, responded that her division is responsible for the guidance. They have been actively engaged in both phases of the workgroup and feel well-informed about the effort that has gone into the process. Once the committee decides to send the report forward to USEPA, the policy division will review it and then properly include it into the final document.

Mr. Childers said that the next step in the process was to see if everyone was comfortable turning the report over to USEPA. He asked that members say "I" if they are comfortable with the report and to turn their cards to the side if they were opposed. Seeing no turned cards, he declared the report to be unanimously moved.

Next, Ms. Wood provided the committee with an overview of the status of the GHG PSD permitting guidance. OMB is undergoing an interagency review of permitting guidance. The integrated review is expected to be released in the near future, and USEPA will provide an opportunity for public comment on the guidance. While USEPA will not respond to comments, there will be specific attention paid to comments pertaining to calculation and/or technical errors. The goal is to ensure that the guidance will address the specific concerns that have been raised. USEPA will continue to monitor the guidance implementation into 2011 and provide clarifications and supplementation as needed. USEPA will then assess whether additional guidance or clarification will be necessary after an assessment of the implementation experience.

One piece of the broader strategy is to ensure that states have the resources they need to conduct permitting by 2011. USEPA will create a GHG permitting website for technical polity and information resources. The Office of Research and Development will create a GHG mitigation strategies database that will include performance and cost data on current and developing GHG control measures. The next piece of the strategy will be to provide as much information as possible on GHG control measures by issuing technical white papers. Recently there was an

internal launch of a USEPA permitting action team, which will work with states as the permitting process moves forward to set up time framing and guidance.

Ms. Gomez commented that although it is not law, it is treated as law and therefore it was important that multiple stakeholders are consulted for the white papers.

Mr. Feldman asked if Ms. Wood could comment on how this guidance differs from the traditional BACT.

Ms. Wood explained that one of the recommendations in the Phase 1 reports stated that BACT works well for GHGs, and USEPA has taken that into careful consideration when drafting the guidance.

Clean Air Excellence Awards Program Update

Mr. Childers began by saying that these awards have a legacy of ten years of excellence. Since the year 2000, 152 outstanding organizations and efforts have been awarded through the Clean Air Excellence Awards Program. These awards are handed out for excellence in five categories: clean air technology, for both implementation and creation; community action, recognizing communities working together; education and outreach, to help increase communication and understanding within communities of environmental problems; regulatory and policy innovations; and transportation efficiency innovations.

It is encouraged that if CAAAC members see an interesting project taking place, that they urge the people involved to apply for the award. There are two special awards worth mentioning, the Thomas W. Zosel Outstanding Individual Achievement Award and the Gregg Cooke Visionary Program Award. The latter is for those who did not necessarily stand out in one of the five categories, but who did show incredible accomplishment throughout the categories. Both awards are important and are presented only when an outstanding project presents itself.

Applications for the awards were due August 13, 2010. It is likely 75 applications will be submitted and somewhere around 12 to 15 will be winners. Winners will be determined by the Office of Enforcement and Compliance, with Ms. McCarthy making the final decision. The awards will be presented at the May 2011 conference. It is asked that CAAAC member attendance increase for the awards ceremony to show support for the winners and increase interaction between the awardees and CAAAC members. Mr. Childers asked if there were any suggestions on how to boost CAAAC member attendance, or if it would be easier to have the award ceremony during the lunch hour of the fall meeting.

Ms. Gomez suggested that there are two aspects that need to be strategized: first, outreach to capture the right group of awardees, and second, to increase attendance at the award ceremony. In order to gain a consensus on how to increase participation, perhaps it would be worthwhile to send a survey to committee members to see what time of day will work best. It may also be worth attempting to attract members of congress or NGOs from the area who may have an interest in attending.

Mr. Green commented on the importance of the award and suggested it would be a shame for the committee to decrease the quality of the award by skimming back on the ceremony.

Ms. Giblin suggested it would help if there were a letter, note, or invitation that committee members could distribute to those who may be likely or want to attend. Increasing the attendance at these events would also provide a wonderful networking opportunity.

Ms. Watson stated that reception and display tables at the ceremony also provide an excellent opportunity for networking and outreach.

Mr. Becker suggested that the Clean Air Excellence Awards should be mentioned, or easily found on USEPA's Clean Air website. There should also be easily accessible information about the awards as a means of increasing the exposure and applicant pool. He questioned whether it would be possible to encourage the Administrator to attend the event. The more support USEPA attaches to this event, the better received it will be throughout the country.

Ms. Gordon asked if the CARE recipients were listed on the website and suggested that community participatory groups and the American Association of Public Health-type groups be solicited.

Mr. Childers stressed that an increase in suggested applicants is necessary. The award ceremonies provide a good venue to introduce people working in the same field, who would not have necessarily met.

Mr. Childers then opened the floor for comments from the public. No questions were asked.

Future Topics and Upcoming Meeting Plans

Mr. Childers asked that anyone interested in participating in the workgroup for mobile source information technologies, please send him an email. The group will be in need of technical or public policy knowledge. The size of the group has yet to be determined, but will most likely remain small. There will also be a vote on the mobile model, MOVES. The recommendations that emerge from the workgroup will be moved forward to USEPA.

On Friday or Monday morning, Mr. Childers will send the report on voluntary partnership and community-based programs. Committee members should read the sections that have been changed or modified, especially language involving community and tribal concerns. Committee members should ensure that all concerns raised are addressed in the updated draft, after which the draft will be sent to Ms. McCarthy. Committee members should always feel free to submit potential new topics.

Mr. Becker stressed the importance that the committee takes advantage of the individual members' talents and backgrounds when addressing topics. There are some controversial topics

that could and possibly should be raised. Covering controversial topics may prove to be a bit more difficult, but the benefits have the potential of being quite large.

Mr. Childers stated that the limitations of the committee's ability and time must be taken into consideration. He agreed that the educational aspect has always been part of the objectives of this committee, but that the advisory committee is advisory, and therefore, there is a need to give formal results to the administration.

Mr. Paul agreed that there could be a lot of beneficial results from engaging in discussions of the modeling of attainment or non-attainment. These are large issues, and should be discussed by the committee to highlight what the different opinions on these issues are.

Ms. Giblin suggested that netting would be a good issue to discuss. There is a lot of curiosity about the ground rules for netting GHGs.

Mr. Childers also suggested a public health discussion could also be interesting and worked into the agenda.

Ms. Gordon made the suggestion that if these discussions will begin to happen, it would be nice to see them attached to something like a pilot program or new regulation. We should be building on a relevant subject.

Mr. Childers reminded the committee members that the next meeting will be held at this same location from January 11-12, 2011. The following meeting will be held in the first or second week of May.

Mr. Childers congratulated the members on a job well done, especially for new members. If anyone had any additional questions or comments, they should feel free to email him.

The meeting was adjourned.

**Clean Air Act Advisory Committee
 October 6, 2010
 Crowne Plaza Washington National Airport Hotel
 Arlington, VA**

List of Attendees

Bill Becker	National Association of Clean Air Agencies (NACAA)
Robert Brenner	United States Environmental Protection Agency (USEPA)
Pat Childers	USEPA
Chuck Collett	National Association of Home Builders (NAHB)
Stacey Davis	Center for Clean Air Policy
Howard Feldman	American Petroleum Institute
Carey Fitzmaurice	USEPA
David C. Foerter	Institute of Clean Air Companies (ICAC)
Pam Giblin	Baker Botts
Jack Goldman	Hearth, Patio, and Barbeque Association
Lisa Gomez	San Diego Gas and Electric
Margaret Gordon	West Oakland Environmental Indicators Project
Kelley Green	Texas Cotton Ginners Association
Bill Harnett	USEPA
Vince Hellwig	Michigan Department of Natural Resources and Environment
Steve Hensley	USA Rice Federation
Jim Hunter	International Brotherhood of Electrical Workers
Dan Johnson	WESTAR
Robert Kaufman	Koch Industry
Lee Kindberg	Maersk Incorporated
Jerry Kurtzweg	USEPA
Tim Larson	Ross & Associates
Mark MacLeod	Environmental Defense Fund (EDF)
Gina McCarthy	USEPA
Brian McLean	USEPA
Don Neal	Calpine Corporation
Janice Nolen	American Lung Association
Ashlea Page	USEPA

Steven Page	USEPA
John Paul	Regional Air Pollution Control Agency
Raj Rao	USEPA
Nicky Sheats	Center for the Urban Environment at the John S. Watson Institute for Public Policy
Julie Simpson	Nez Perce Tribe
Syndi Smallwood	Pechanga Band of Luiseno Indians
Eric Svenson	PSEG
Eddie Terrill	Oklahoma DEQ
Peter Tsirigotis	USEPA
Mary Turner	Chrysler LLC
Jason Walker	Northwestern Band of Shoshone Nation
Kathryn Watson	Improving Kids Environment
Ann Weeks	Clean Air Task Force
Joy Wiecks	Fond du Lac Reservation
Anna Marie Wood	USEPA