

NEVADA DIVISION OF ENVIRONMENTAL PROTECTION
Public Workshop to Solicit Comments on Proposed Amendments to Nevada
Administrative Code Chapter 445B – Air Pollution

April 12, 2017
9:30 AM

Great Basin Conference Room
4th Floor
901 South Stewart Street
Carson City

Video Conference to
NDEP Red Rock Conference Room
2030 E. Flamingo Road, Ste. 230
Las Vegas

MEETING NOTES

ATTENDEES:

Workshop Chair:

Joe Perreira, Staff Engineer, Planning Branch, Bureau of Air Quality Planning

NDEP Staff:

Jeff Kinder, Deputy Administrator, NDEP

Danilo Dragoni, Chief, Bureau of Air Quality Planning

Sig Jaunarajs, Supervisor, Planning Branch, Bureau of Air Quality Planning

Public:

Carson City:

Morgan Friend, Nevada Department of Motor Vehicles

Ivie Hatt, Nevada Department of Motor Vehicles

Las Vegas:

Bruce Turner, Sierra Club

CALL TO ORDER

Mr. Perreira called the Workshop to order at 9:35 a.m. He introduced himself and asked each person in the audience to state their name and affiliation both in Carson City and Las Vegas. He explained that the workshop is being run by the Nevada Division of Environmental Protection (NDEP), Bureau of Air Quality Planning (BAQP) and its purpose was to solicit public comment on a regulatory amendment to NAC 445B.575 being proposed by the NDEP.

Mr. Perreira reviewed the regulatory adoption timeline for the petition: After the petition has been presented at the workshop, it would be heard by the State Environmental Commission (SEC) at their next meeting on May 3, 2017. If/When the SEC approves the change, the regulation will become temporarily effective 35 days later with an expiration date of November 1, 2017. The NDEP will go through this regulatory process once more in August and September

of 2017 to have the change to NAC 445B.575 made permanent.

Mr. Perreira then asked if there were any questions regarding the adoption timeline, seeing none, he moved on to the presentation of proposed regulation T2017-02.

PROPOSED REGULATION T2017-02

Mr. Perreira read the proposed revision to NAC 445B.575:

The provisions of subsection 1 do not apply to motor vehicles subject to a settlement agreement entered into by the State of Nevada, an Agency of the State of Nevada, or to which the State of Nevada is a beneficiary that is intended to mitigate the effects of any device for the control of pollution which is not correctly installed or in operating condition in accordance with the specifications of the vehicle manufacturer and any applicable state or federal statute or regulation.

Mr. Perreira then stated the purpose of the proposed regulation is to meet one of the eligibility requirements of being certified as a Beneficiary of the Volkswagen Environmental Mitigation Trust Fund. He then explained the timeline of when Nevada would submit the Beneficiary Certification Form, which is no later than 60 days following the Trust Effective Date.

Mr. Perreira then asked if anyone had any questions about the proposal.

QUESTIONS

Mr. Turner asked if there were any anticipated future settlements.

Mr. Perreira responded by explaining the January 2017 EPA notice of violation to Fiat Chrysler Automobiles (FCA) concerning the Model Year 2014-2016 diesel-powered Jeep Grand Cherokees and Dodge Ram 1500s. According to the notice, those vehicles utilize a defeat device that is similar to the one Volkswagen used in their subject vehicles. However, he does not know whether or not the EPA will act on this notice.

Mr. Turner asked if the proposed language would cover that potential situation as well.

Mr. Perreira said that yes, the proposed language would allow for Nevada to meet any similar settlement agreement requirements.

Mr. Turner thanked Mr. Perreira for answering his questions from a phone conversation that they had prior to the workshop before asking about the process to take the diesel-powered Volkswagen subject vehicles off the road and how Nevada's process relates to what was occurring nationally and in other states.

Mr. Perreira responded by explaining the process that the 590,000 Volkswagen 2.0L and 3.0L diesel-powered vehicles are subject to per the 2.0L Partial Settlement Agreement. The 2.0L Partial Settlement establishes the guidelines for the vehicle

buyback/lease termination/recall effort, the Zero Emission Vehicle initiative, and the Volkswagen Environmental Mitigation Trust Fund. The 2.0L Partial Settlement was approved on October 26, 2016. There is a 3.0L Partial Settlement that is yet to be finalized by the court but it largely uses the framework from the 2.0L Partial Settlement. What is going on in Nevada throughout this whole process is not unique when compared to other states and their planning efforts for the Environmental Mitigation Trust Funds.

Mr. Turner asked if Volkswagen is not able to meet the June 30, 2019 recall target date then what happens.

Mr. Perreira explained that per the 2.0L Partial Settlement, for every percentage point below the 85 percent recall target that Volkswagen is required to meet, it is required to contribute an additional \$85 million dollars into the Environmental Mitigation Trust. There are similar penalties for Volkswagen if it fails to meet the 85 percent target in California and for the 3.0L vehicles, but Mr. Perreira could not remember those values.

Mr. Turner made the comment that the Sierra Club being the Sierra Club, we must protest the idea that these vehicles continue to be on the road. However, life being what it is, we don't want the perfect to become the enemy of the good. Therefore, we think this is a great idea and we look forward to working with you on whatever comes out of this going forward. Thank you very much.

Mr. Dragoni asked Mr. Turner if his previous comment was said on behalf of the Sierra Club.

Mr. Turner said that he was speaking for himself and was simply trying to characterize what he presumed to be the opinion of the Sierra Club.

There being no more questions, Mr. Perreira adjourned the workshop.

ADJOURNMENT

The Workshop was adjourned at 9:51 a.m.