

**NEVADA DIVISION OF ENVIRONMENTAL PROTECTION (NDEP)
PUBLIC WORKSHOP ON PROPOSED AMENDMENTS TO NEVADA'S
ALTERNATIVE FUELS IN FLEETS PROGRAM
AND CLEAN AIR MERCURY RULE PROGRAM**

MINUTES
May 13, 2010

Great Basin Conference Room (4th Floor)
901 South Stewart Street
Carson City, Nevada
Video Conference to Las Vegas
Red Rock Conference Room
2030 East Flamingo Road, Suite 230

ATTENDEES:

Workshop Chair: Adele Malone, Supervisor, BAQP, NDEP
Workshop Presenter: Sig Jaunarajs, Supervisor, BAQP, NDEP

NDEP Staff:

Greg Remer, Chief, Bureau of Air Quality Planning (BAQP)
Becky Cripe, Program Management Branch, BAQP
Paul Williams, Planning and Modeling Branch, BAQP
Zack Blumberg, Program Management Branch, BAQP

Public:

Richard Allen, Incline Village GID	Dennis Laybourn, Newmont Nev. Energy
John Boris, Clark County Automotive Services Division	Resty Malicdem, NV OSHA, Dept of Business & Industry
David Gonzales, Washoe County General Services Dept	Stephanie Oaks, City of Henderson
Richard Hough, City of Henderson Support Services	Dennis Ransel, Clark County Dept of Air Quality & Environmental Management
Jon Howard, Clark County School District	Jan Rosenberg, Henderson, Division of Industrial Relations
David Johnson, Clark County Automotive Services Division	Sandra Stanko, Clark County Regional Transportation Commission

CALL TO ORDER:

In Carson City, Ms. Malone called the Workshop to order at 10:09 a.m. and asked each person in the audience and via video conference in Las Vegas to introduce themselves. Upon conclusion, she then explained the purpose of the Workshop was to obtain comments on proposed

amendments to two air programs in the Nevada Administrative Code (NAC): the Nevada Clean Air Mercury Rule program (NV CAMR) and the Alternative Fuels in Fleets program. If adopted, these amendments will become permanent regulations.

Ms. Malone described the process for adopting the proposed revisions to the NAC, including the scheduled public hearing before the State Environmental Commission (SEC) on June 17th, if approved, followed by a review and approval by the Legislative Commission, likely to occur sometime in July or August. She asked if there were any questions regarding the Workshop or the schedule as described. There were none.

NV-CAMR, LCB File No. R040-10:

Ms. Malone presented the proposed repeal of the NV CAMR Program (NAC 445B.3711 to 445B.3791) and all references to the program throughout Chapter 445B of the NAC. She explained that the NV CAMR program was adopted September 6, 2006, in response to a federal requirement (published in May 2005) for states to control mercury emissions from coal-fired electric generating units at power plants. In February 2008, the US Court of Appeals for the District of Columbia struck down the federal CAMR in "State of New Jersey, et al v USEPA, et al". Thus, the federal requirement for the Nevada CAMR program no longer exists. She went on to note that the Nevada program adopted many of the key points of the federal program. As a result, Nevada's program could not be implemented after the federal CAMR was vacated. The Bureau never implemented NV CAMR. She summarized by saying that proposed repeal is basically a clean up of the NAC. She also pointed out that there were summary handouts of the repeal at the back of the room. Upon conclusion, she opened the matter to public comment or questions. There were none.

Alternative Fuels in Fleets, LCB File No. R022-10:

Mr. Jaunarajs presented the proposed revisions to Nevada's *Alternative Fuels in Fleets* program (NAC 486A) to comply with Senate Bill 332 (2009 Legislative Session). He stated the changes define in regulation the alternative fuels and vehicles that comply with the program, the vehicle acquisition and fuel use requirements, reporting requirements, program applicability, and exemption and variance provisions. He explained that at the end of the workshop he would also cover a procedure NDEP is proposing for regulated fleets to follow when applying to the SEC for a variance from the provisions of the program. He then proceeded to summarize each individual change section by section.

There was some discussion about section 5, which adopts Arizona's Clean Burning Gasoline requirements and California's reformulated gasoline requirements by reference as they exist on the effective date of the Nevada NAC amendments. Mr. Jaunarajs explained that section 7, which defines alternative fuels for the Nevada program, references these Arizona and California gasolines. Mr. Johnson, representing the Clark County fleet, asked what would happen to the Nevada program requirements if the other states change their regulations. Mr. Remer noted that the SEC adopts other agency's regulations as they exist at a specific point

in time. If they were to amend their regulations, our agency would want to review those revisions and determine whether or not to adopt them.

The discussion turned to the definition of alternative fuels proposed in section 7. Mr. Johnson noted that the Clark County fleet's summer-time gasoline was cleaner than what he could get locally, but that was not true for the winter-time gasoline. Mr. Ransel, representing Clark County DAQEM, stated that if they adopt reformulated gasoline as a control measure in an ozone State Implementation Plan (SIP), and it is approved by USEPA, that will be the gasoline used by all of the fleets in the County. This initiated a lengthy discussion among the public and NDEP staff of the air quality benefits of reformulated gasoline and the ramifications that fleets would have to contend with should reformulated gasoline be removed as an alternative fuel due to inclusion in a Clark County ozone SIP ~~alternate fuels~~. Mr. Remer explained in detail the SIP process which can take several years for adoption and agreed with Mr. Ransel's comment.

Mr. Johnson commented that given the size of Clark County, there will be times when County personnel using his fleet cars will not be able to use an alternate fuel, because it is not available in outlying areas like Mesquite, for example. Mr. Remer agreed that there may be times when this could occur and that there are several ways to handle such situations. Fleets can apply for a variance from the SEC for certain chronic situations. The proposed regulation extends the length of a variance from 1 to 3 years. In addition, fleets are able to explain deviations from fuel use requirements on the annual fuel use reporting form provided by the NDEP.

Mr. Jaunarajs' review of the annual reporting requirements in section 11, as well as the related forms, and the changes needed to along with the revised regulations generated some discussion. Mr. Johnson remarked that he does not have any staff, and could not keep track of how many gallons of each alternative fuel are used in a year and the mileage accumulated by vehicles using each fuel type individually, but the annual totals would be no problem. Mr. Remer said the total volume is all the NDEP wants for each type of fuel used, as well as the total accumulated mileage of all the vehicles using alternative fuels in each fleet. Mr. Gonzales, Washoe County, said that they have polices and procedures in place regarding cleaner burning fuels, but there is no guarantee that they are always followed. He wondered how narrow is the exemption for emergency vehicles. Mr. Remer thought it would include vehicles that are dedicated to respond to emergency situations, but vehicles used occasionally in emergency response probably would not qualify. For example, process server vehicles would not meet the definition. Mr. Jaunarajs stressed that the revised forms would be used for FY 2011 reporting. For FY 2010 reporting, fleets had the choice of using the forms they have been using or changing to the new forms.

Mr. Jaunarajs completed his summaries of the rest of the sections. Mr. Remer stated that this draft regulation is the result many meetings and conversations with the stakeholders, and he hoped that the stakeholders would be supportive of them. He asked if anyone was going to comment on them in front of the SEC. Ms. Stanko, Clark County Regional Transportation Commission, stated that they were going to comment on the 90 percent alternative fuel vehicle acquisition requirement in section 10. She felt that given the hard economic times the

acquisition requirement should be closer to the federal standard (Energy Policy Act of 1992), which is 75 percent. She felt that 75 percent would give fleets more flexibility in structuring their mix of vehicles and fuels in manner that meets program requirements. Mr. Remer said that the 90 percent requirement had been around for a very long time and committed that the NDEP would look at the full history and intent of that requirement between now and the SEC Hearing.

In conjunction with reviewing the proposed amendments to the *Alternative Fuels in Fleets* program, Mr. Jaunarajs reviewed the proposed procedure for fleets to use in applying to the SEC for a variance from the requirements of any provision of NAC 486A. He reminded the attendees that they had received an email containing a draft of the proposed SEC procedure for requesting a variance. Mr. Remer explained that the executive director of the SEC requested NDEP provide the draft procedure. The draft procedure includes submission timelines and the types of information fleet operators would provide to the SEC to justify the granting of a variance. Mr. Ransel requested that in the section of the draft procedures dealing with documentation requirements for requests due to financial hardships, the requirement to show that the applicable local air pollution control agency agrees that “the length of time requested is not expected to have a significant adverse impact on any SIP under development to address new or revised National Ambient Air Quality Standards” be removed. This makes the financial hardship section of the procedures consistent with the section that deals with requests being made due to unavailability of alternative fuel vehicles or fuels.

There were no more comments or questions from the public.

ADJOURNMENT: The Workshop was adjourned at 12: 02 pm.

Respectfully submitted,

Paul A. Williams, Recording Secretary