

AGENDA ITEM 27

Consider approving letter to the Mayors of Cedar Park, Georgetown, Hutto, Leander, and Taylor regarding the Clean Air Action Plan.

Moved: **Commissioner Boatright**

Seconded: **Judge Doerfler**

Motion: To approve the sending of a letter to the Mayors of Cedar Park, Georgetown, Hutto, Leander, and Taylor regarding the Clean Air Action Plan.

Vote: 4 - 0

< Attachment >

November 4, 2003

Mayor

Dear Mayor and Council Members:

I am writing for two reasons: first, to ask your assistance with clean air planning activities in Williamson County, and second, to invite you and your fleet operators and/or purchasers to attend an informative workshop about state grant funds for which you may be applying ~~for~~.

The five county governments in the Austin/Round Rock Metropolitan Statistical Area (Austin/RR MSA), along with several of the largest cities in the MSA, are developing a clean air plan. I invite you to join in the process. Once implemented, elements of the plan will affect every person living and working in this region.

As you may know, Williamson County and the City of Round Rock entered into an Early Action Compact with the Texas Commission on Environmental Quality (TCEQ) and the United States Environmental Protection Agency (EPA) in December 2002. As a result, we are committed to implement a Clean Air Action Plan (CAAP) no later than March 2004. The CAAP will demonstrate how the Austin/RR MSA can comply voluntarily with the federal Clean Air Act's new 8-hour National Ambient Air Quality Standard (NAAQS) for ground-level ozone through the year 2012. Since 1999, the Austin/RR MSA has violated the 8-hour NAAQS every year except this one. According to a careful analysis of all available local monitoring data, the MSA is almost certain to violate the 8-hour standard again next year.

Assuming we meet all deadlines contained in the Early Action Compact for attaining the 8-hour NAAQS, TCEQ and EPA are committed to deferring a nonattainment designation in the region should a violation occur. This process should save us from costly federal mandates while bringing Central Texans clean air two years earlier than waiting for EPA's traditional regulatory process to take effect.

Besides the obvious public health benefits of cleaner air, avoiding a federal nonattainment designation has the following economic benefits, as well:

- Protects federal transportation funds, which can be withheld in nonattainment areas;
- Decreases costs associated with health care and employee/student absences; and
- Provides a competitive edge for new business recruitment.

In order to develop and implement the CAAP, the 12 local jurisdictions that signed the Early Action Compact formed the Clean Air Coalition (CAC). The membership of the CAC includes the County Judge or a Commissioner from Bastrop, Caldwell, Hays, Travis and Williamson Counties, and the Mayors of Austin, Bastrop, Elgin, Lockhart, Luling, Round Rock, and San Marcos. Together we are analyzing emission reduction measures that could effectively

decrease ozone pollution in our region, ensuring the MSA remains in compliance with federal law. I've enclosed a list of these measures for your consideration and look forward to hearing your comments. Later this year, the CAC will recommend a final set of emission reduction measures, tailored to our region's needs, to include in the CAAP. The 12 signatory jurisdictions will vote on mandating implementation of these measures (found in Table 1 of the enclosed Draft CAAP Recommended Measures), in coordination with TCEQ, other state agencies and EPA.

As a CAC member, I encourage you and other public sector colleagues throughout the MSA to implement your own voluntary emission reduction measures as quickly as possible. Table 2 of the enclosed Draft CAAP Recommended Measures is a list of measures that other jurisdictions are considering or have implemented. Please review them and determine if any are a good fit for your organization, ~~too~~. I encourage you to commit to as many as are feasible. You may find that your city has already implemented some of these measures. If so, please let us know. This is useful information for the regional planning process.

I also want to encourage you and any appropriate staff to attend the free air quality grant workshop and vendor exhibition on November 14, 2003. The event will provide you with useful information about existing funding and technology opportunities for improving air quality. Please see the enclosed flyer for details.

The Clean Air Coalition relies on technical staff from member jurisdictions, and others from the Capital Area Metropolitan Planning Organization (CAMPO), the Capital Area Council of Governments (CAPCO), the CLEAN AIR Force (CAF), and the TxDOT-Austin District, to advise on necessary elements of the Clean Air Action Plan. This group is known as the Early Action Compact Task Force (EACTF) and is chaired by Ms. Cathy Stephens of CAMPO.

You may contact Ms. Stephens at 512-974-1861 (or cathy.stephens@campotexas.org) to learn more about the Early Action Compact and how you can participate in plan development. While considering your own jurisdiction's commitments to cleaner air, please take careful note of measures that are already in place, particularly those begun since 1999 (our base modeling year). These are important factors to include in modeling plan effects. In order to meet plan deadlines, your input is needed by December 5, 2003. Either Ms. Stephens or another EACTF member will contact you to follow up on this request. EACTF staff are available to make presentations to your council.

Thank you for your attention to this critical issue. I look forward to working with you as a partner in the goal of ensuring healthful air for all citizens of our region.

Sincerely,

Judge John Doerfler

Enclosures:
Draft CAAP Recommended Measures
Workshop/Exhibition Flyer

Air Quality Grant Workshops and Vendor Exhibition

Texas is giving away **MONEY!!**

Interested in financial help to **clean up** your equipment?

Grants are available from the
State of Texas to help clean up older, polluting
equipment - primarily heavy-duty and off-road (diesel).

- Truck or Heavy Equipment Owners
- General Contractors
- Heavy Construction Contractors
- Home or Apartment Builders
- School Districts
- Asphalt Pavers
- Municipalities
- Diesel Equipment Operators

November 14 - Friday
9:00 am - 12:30 pm

Registration and
Exhibits open 9:00 am

Program Conclusion
Exhibits reopen 12:00 pm

General Registration Information

TXDOT - Austin District
Building 1 - Hearing Room
7901 N. IH-35
RSVP: 512.322.5604
Workshop Cost: Free

Workshop Topics

- What are the **potential economic impacts** of continued air pollution in Central Texas?
- What is the Texas Emissions Reduction Plan or **TERP**?
- How can I **modernize my equipment** with the latest Tier 2 or Higher Technology?
- Who is eligible to receive this **money**?
- What process must I go through to **receive funds**?

Supporting Organizations



For current agenda visit www.austinchamber.org/what_s_new/



DRAFT CLEAN AIR ACTION PLAN (CAAP) RECOMMENDED EMISSION REDUCTION MEASURES

October 24, 2003

INTRODUCTION

This document lists emission reduction measures recommended by the Early Action Compact Task Force (EACTF) for inclusion in the Austin/Round Rock MSA Clean Air Action Plan (CAAP). While some measures apply to multiple counties, others vary by jurisdiction. During the stakeholder process these measures came to the forefront. They are effective in other nonattainment areas and local models show them to reduce emissions cost effectively.

The measures form two categories, summarized in separate tables. (Appendices A and B provide measure details.) Table 1 covers measures recommended as requirements in all MSA counties (except where noted) and implemented by state rule. Table 2 contains measures recommended for implementation by local regulation, agreement or voluntary arrangement. Jurisdictions may select from Table 2 the measures that will complete their "fair share" obligation to emission reductions. Non-signatory jurisdictions, public sector agencies and businesses may also participate in the Table 2 measures.

The MSA now has in place, or has planned for, several measures not included in the baseline emissions inventory (1999). The CAAP intends to account for these anticipated reductions. Implementation requires no additional planning or funding. The measures include:

- The March 2002 O₃ Flex Agreement, implemented throughout the MSA, with estimated NO_x reductions of 6.7 tpd and VOC reductions of 2.3 tpd;
- The early introduction (May 2003) and continued use of Ultra Low Sulfur Gasoline throughout the MSA;
- The ALCOA Agreement, expected to reduce their NO_x emissions 90% by 2007; and
- State and federal measures, such as Tier 2 fuel and vehicle emissions standards, scheduled to come on line during the implementation period.

Table 1 – Recommended CAAP Measures Requiring State Regulations or Actions

A1	Inspection and Maintenance (I&M)	Travis, Hays and Williamson	Inspection stations & gasoline vehicle owners	\$31,608,000	\$27,737	2.74	3.64
A2	Idling Restrictions on Heavy-Duty Diesels	MSA*	Owners/operators heavy duty diesel vehicles	TBD	TBD	0.28	TBD
A3	Commute Emission Reduction Program	MSA	Major employers, employees	TBD	TBD	0.54	0.60
A4	Commercial Lawn and Garden Permitting	MSA	Lawn and Garden Industry	\$115,500	TBD	0.262 NOx equivalent	
	Commercial Lawn and Garden Low Emission Gas Cans	MSA	Lawn and Garden Industry	\$84,777	\$368	0	0.63
A5	Stage I Vapor Recovery Requirement Change	MSA*	Some gasoline retailers	\$1,199,668	\$861	0	3.82
A6	Low Emission Gas Cans (Residential)	MSA*	Purchasers of gas cans	\$982,000	\$1,899	0	1.42
A7	Architectural/Industrial Coatings Controls	MSA	manufacturers/ end users	\$2,654,080	\$6,380	0	1.60
A8	Degreasing Controls	MSA	Facility owner/operators	Savings TBD	<\$3,060>	0	6.28
A9	Autobody Refinishing Controls	MSA	Facility owner/operators	\$91,728	\$1,260	0	0.28
A10	Cut Back Asphalt	MSA	TxDOT, County, City and some pavers	TBD	TBD	0	TBD
A11	Low Reid Vapor Gas	MSA*	Purchasers of gasoline	\$5,384,793	\$16,756	0	1.47
A12	Oil and Gas Compressors	MSA*	Oil & Gas Industry	TBD	TBD	TBD	TBD
A13	BACT and Offsets for New or Modified Point Sources	MSA	Point source operators	TBD	TBD	TBD	TBD
A14	Petroleum Dry Cleaning	MSA	Facility owner/operators	\$1,961,720	\$7,118	0	1.06
A15	Texas Emission Reduction Program (TERP)	MSA	Diesel equipment and vehicle owners/operators	TBD	\$13,000 max	TBD	TBD
A16	Power Plant Reductions	MSA	Austin Energy, LCRA, UT	TBD	TBD	TBD	TBD
	Total (Does not include TBD)			\$44,082,266		3.822	20.80

*The Austin/Round Rock MSA is encouraging TCEQ to expand implementation of these emission reduction measures to the eastern half of the state. This will address MSA concerns about intrastate transport, high ozone background levels and practicality of implementation.

**Table 2 –Recommended CAAP Measures
Requiring Local Regulations or Agreements and Including Voluntary Measures***

Emission Reduction Measure		Implementation Method			Reduces NOx	Reduces VOC	Effectiveness Rating		
		Regulation	Agreement	Voluntary			Low	Med.	High
B1	Texas Emission Reduction Program (TERP)			X	X				X
B2	Texas Low Emission Diesel (TxLED) for Fleets		X	X	X				X
B3	Transportation Emission Reduction Measures (TERMs)		X	X	X	X		X	
B4	Access Management	X	X		X	X		X	
B5	Alternative Commute Infrastructure Requirements	X	X		X	X		X	
B6	Drive-Through Facilities on Ozone Action Days	X	X	X	X	X	X		
B7	Expedited permitting for mixed use, transit oriented or in-fill development.	X	X		X	X		X	
B8	Use of electric or alternative fuels for airport GSE		X	X	X			X	
B9	ABIA Airside incentives for GSE use reduction		X	X	X	X			X
B10	Integrate alternative fuels into City's aviation fleet			X	X	X		X	
B11	Operate alternative fueled ABIA surface parking lot shuttle buses			X	X	X		X	
B12	Use existing ABIA alternative fuel infrastructure for off-site parking shuttle buses		X	X	X	X		X	
B13	Low VOC Striping Material	X				X		X	
B14	Landfill Controls	X				X	X		
B15	Open Burning Restrictions	X			X	X	X		
B16	Tree Planting	X		X	X		X		
B17	Extend energy efficiency requirements beyond SB5 and SB7.	X			X		X		
B18	Shift the electric load profile		X	X	X		X		
B19	Environmental dispatch of power plants		X	X	X		X		
B20	Clean Fuel Incentives			X	X	X		X	
B21	Low Emission Vehicles			X	X	X			X
B22	Adopt-a-School-Bus Program			X	X	X			X
B23	Police Department Ticketing			X	X	X		X	

Emission Reduction Measure		Implementation Method			Reduces NOx	Reduces VOC	Effectiveness Rating		
		Regulation	Agreement	Voluntary			Low	Med.	High
B24	EPA Smart Way Transport Program			X	X	X	X		
B25	Business Evaluation of Fleet Usage, Including Operations and Right Sizing			X	X	X	X		
B26	Parking Incentives for Alt Fuel or SULEV vehicles			X	X	X	X		
B27	Commute Solutions Programs			X	X	X	X		
B28	Direct Deposit			X	X	X	X		
B29	e-Government and/or Available Locations			X	X	X	X		
B30	Voluntary use of APUs for locomotives operating in Central Texas		X	X	X			X	
B31	Fueling of Vehicles in Evening			X		X	X		
B32	Urban Heat Island/Cool Cities Program	X	X	X	X	X		X	
B33	Resource Conservation	X		X	X	X			X
B34	Increase investments by Central Texas electric utility providers in energy demand management programs		X	X	X				X
B35	Alter production processes and fuel choices		X	X	X			X	
B36	Contract provisions addressing construction related emissions on high ozone days		X		X	X		X	
B37	Ensure emission reductions in SEPs, BEPS and similar agreements		X		X	X		X	
B38	Ozone Action Day Education Program			X	X	X		X	
B39	Ozone Action Day Response Program			X	X	X			X

*Signatory jurisdictions should select Table 2 measures that are in addition to those included in their O₃ Flex Agreement commitment.

APPENDIX A
Description of Emission Reduction Measures in Table 1

A1. Inspection and Maintenance (I&M)

DESCRIPTION: Require vehicle emission testing and repair for all subject gasoline vehicles 2 to 24 years old and registered in Hays, Travis or Williamson counties. Tests will be conducted at all safety inspection stations. Failed vehicles have 15 days to repair the vehicle at any repair facility and get a free retest. The emission test for model year 1996 and newer vehicles will be the On-Board Diagnostic test. The emission test for model year 1995 and older vehicles will be the two speed idle test. Remote sensing will be used to identify high emitters in Hays, Travis, Williamson and contiguous counties. Identified vehicles will be required to show passing emission test results in order to renew vehicle registration. Vehicles used by students at public universities in the 3 counties but registered elsewhere will be required to participate in the program in order to receive parking privileges. A Low Income Repair Assistance Program (LIRAP) will be included.

IMPLEMENTATION: Preferably state rule with program implemented by TCEQ and DPS.

- **REGIONAL COSTS:** TBD Program is designed to keep emissions test fees lower than those in DFW and Houston (\$27.00 fee +12.50 safety inspection)

EXPECTED POLLUTION REDUCTIONS: Estimated 2.47 tpd NOx and 3.64 tpd VOC

A2. Idling Restrictions on Heavy-Duty Diesels

DESCRIPTION: State law to restrict idling of gasoline and diesel-powered engines in heavy-duty motor vehicles greater than 8500 gross vehicle weight to five consecutive minutes when the vehicle is not in motion, with certain exceptions. Applies during ozone season only. Enforceability may be problematic, but emission reductions could be significant.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all five counties.

*EACTF has suggested TCEQ consider implementing the measure in the eastern half of the state

REGIONAL COSTS: TBD

EXPECTED POLLUTION REDUCTIONS: Estimated 0.28 tpd NOx

A3. Commute Emission Reduction Program

DESCRIPTION: Require every existing or future employer with 100 or more employees per location to implement a commute emission reduction program that will reduce commute emission equivalent by 10%. Awards could be provided for those who exceed requirements. A similar voluntary program called Clean Air Partners is underway. In addition, the existing Commute Solutions Program provides tools and support for program implementation.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all five counties.

REGIONAL COSTS: TBD

EXPECTED POLLUTION REDUCTIONS: Estimated 0.54 tpd NOx and 0.60 tpd VOC

A4. Commercial Lawn and Garden Permitting

DESCRIPTION: This control measure is the industry-desired alternative to previously proposed control measures. Commercial Lawn and Garden firms will be required to submit an emissions reduction plan documenting 20% or greater emissions reduction from the default emissions inventory for their equipment. TCEQ has the necessary software and emissions factors to perform these calculations. Emissions reductions associated with alternative fueled vehicles will be accepted as a reduction against their emissions inventory. An approved emissions reduction plan results in the company being "permitted" to operate in the Central Texas area.

This measure affects about 1,000 companies in the area. For purposes of compliance, applicability (operations >\$5,000/year) will be patterned after and compared to the existing Lawn and Garden Service Tax. Decals (permit) will be affixed to each piece of permitted equipment. Companies will be encouraged to begin the equipment upgrading now to achieve immediate emissions reductions. Actual permitting begins in 2005, giving industry a chance to spread cost of compliance over several years.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all five counties.

REGIONAL COSTS: Preliminary cost estimates assume the industry would get these reductions by purchasing low emission gas cans. This assumes each business would spend about \$115 on these cans, for a total of \$115,500. Further refinement of these cost estimates is expected.

EXPECTED POLLUTION REDUCTIONS: Currently, the industry creates about 1.31 tpd of NOx. This measure is expected to reduce 20%, or 0.262 tpd, of those NOx emissions.

A5. Stage I Vapor Recovery Requirement Change

DESCRIPTION: Stage I vapor recover is already in place in the Austin region for service stations that pump over 125,000 gallons of fuel per month. This measure would require Stage I on service stations pumping 25,000 gallons per month, thus increasing the number of service stations using the system. Stage I reduces VOC emissions during fuel transfer from the tanker truck to the underground storage tank through a special vapor recovery system.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all five counties.

*EACTF has recommended that TCEQ implement the measure in the eastern half of the state for all service stations pumping 50,000 gallons/month or more.

REGIONAL COSTS: \$591,061 per year assuming participation in all five counties.

EXPECTED POLLUTION REDUCTIONS: 2.42 tpd VOC reductions (1.21 tpd NOx equivalent) assuming participation in all five counties.

A6. Low Emission Gas Cans

DESCRIPTION: Mandate that all new gas containers purchased in the region meet spill-proof, low emission standards.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all five counties.

*EACTF has recommended that TCEQ implement the measure in the eastern half of the state.

REGIONAL COSTS: The incremental cost of these cans is approximately \$11.00. Further evaluation of the total regional costs is needed, although costs have been prepared for the lawn and garden industry only (see Lawn and Garden Permitting measure).

EXPECTED POLLUTION REDUCTIONS: Initial estimates for only the Lawn and Garden industry are 0.28 TPD NOx equivalent (includes some VOC reductions). Regional implementation will provide additional reductions.

A7. Architectural and Industrial Coatings Controls

DESCRIPTION: Adopt the California state rule for Architectural and Industrial Surface Coatings. This regulates the use of certain surface coatings (e.g., paints) applied by industry, contractors and homeowners to coat houses, buildings, highway surfaces and industrial equipment. Because users of these coatings are small and widespread, requiring the use of add-on control devices is technically and economically infeasible. Reductions in VOC emissions must therefore be obtained through product reformulation.

IMPLEMENTATION: Request that TCEQ adopt the California state rule for the Austin/Round Rock MSA.

REGIONAL COSTS: \$2,654,080/yr

EXPECTED POLLUTION REDUCTIONS: 1.60 tons VOC per day

A8. Degreasing Controls

DESCRIPTION: Degreasing operations are a common source of VOC emissions. Degreasing uses a solvent to remove grease, oil, or dirt from the surface of a part prior to surface coating or welding. In cold cleaning, the part is dipped into or sprayed with solvent. Sources that commonly have cold cleaning degreasers include auto repair shops, autobody shops, and industries. This measure adopts California degreasing regulations lowering voc concentrations in cold cleaning solvents. Lower VOC content results in cost savings. TCEQ rules that already apply address housekeeping measures.

IMPLEMENTATION: Request that TCEQ extend state rule, modified to make compliant with California standards, to the Austin/Round Rock MSA.

REGIONAL COSTS: Savings TBD

EXPECTED POLLUTION REDUCTIONS: 6.28 tons of VOC per day

A9. Autobody Refinishing Controls

DESCRIPTION: Adopt California Autobody Refinishing Control standards to reduce VOC emissions from this source by 45%. Rule requires lowering the VOC content of the products used, improving the application technique so that less coating is used and controlling the use of clean-up solvents (proper handling of gun cleaning and clean-up solvents). Emissions occur at all three process stages (surface preparation, painting and equipment cleaning) due to evaporation of solvents in the primers, paints and other coatings, and in the cleaning solutions.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all five counties.

REGIONAL COSTS: \$91,728/yr

EXPECTED POLLUTION REDUCTIONS: 0.28 tons of VOC per day

A10. Cut Back Asphalt

DESCRIPTION: This measure prohibits the sale/transport of "conventional cut-back asphalt" in the Austin/Round Rock MSA. Conventional cut-back asphalt releases VOC for over a year after application. Also, encourage the use of low-emission emulsion asphalt and hot-mix asphalt by reducing VOC upper limit in the definition of "Exempt Cut-back Asphalt" as lower emission asphalt becomes available.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all five counties.

REGIONAL COSTS: TBD

EXPECTED POLLUTION REDUCTIONS: TBD

A11. Low Reid Vapor Gasoline

DESCRIPTION: Would lower the Reid vapor pressure requirement from 7.8 to 7.0 in the MSA during ozone season (daylight savings time), significantly reducing locally generated VOC.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all 5 counties.

REGIONAL COSTS: \$5.4 million/year.

EXPECTED POLLUTION REDUCTIONS: 1.47 tpd VOC reductions (1.47 tpd NOx equivalent) in the MSA assuming year-round fuel use.

A12. Oil and Gas Compressors

DESCRIPTION: Require installation of air-fuel ratio controller and three-way catalysts on small (<500hp) rich burn oil and gas well compressors that are currently uncontrolled by state rules.

IMPLEMENTATION: Preferably state rule, developed by the GLO, applicable in all five counties.

REGIONAL COSTS: TBD

EXPECTED POLLUTION REDUCTIONS: TBD

A13. Point Source Controls

DESCRIPTION: Require Best Available Control Technology (BACT) and 1:1 offsets for all new or modified point sources that emit 100 tons per year or more.

IMPLEMENTATION: Preferably state rule, developed by TCEQ, applicable in all five counties

REGIONAL COSTS: TBD

EXPECTED POLLUTION REDUCTIONS: TBD

A14. Petroleum Dry Cleaning Systems

DESCRIPTION: Adopt the Texas state rule for Petroleum Dry Cleaning Systems used in DFW and Houston. This regulates the operation of a dry cleaning facility by complying with dryer, filtration system, and fugitive emission requirements. An 85% reduction in VOC emissions will be obtained through these emissions controls.

IMPLEMENTATION: Request that TCEQ extend state rule to Austin/Round Rock MSA.

REGIONAL COSTS: \$1,961,729 per year

EXPECTED POLLUTION REDUCTIONS: 1.06 tons of VOC per day

A15. Texas Emission Reduction Program (TERP)

DESCRIPTION: A state funded grant program to reduce diesel emissions and encourage technological innovations. Available grants cover the incremental cost of cleaner diesel on-road and off-road engines and equipment, cleaner fuel needed for the equipment and clean fuel infrastructure. The eligibility threshold is \$13,000 per ton of NOx reduced.

IMPLEMENTATION: Local vehicle and equipment owners apply for TERP funding, TCEQ selects projects and awards funding

REGIONAL COSTS: TBD, eligible projects must meet maximum \$13,000 per ton NOx reduced

EXPECTED POLLUTION REDUCTIONS: TBD

A16. Power Plant Reductions

DESCRIPTION: Reduce NOx emissions from power plants as follows:

Austin Energy - AE would accept a cap of 1,500 tons per year on total NOx emissions from all of its units combined (Decker, Holly and Sand Hill).

The cap would be in place at least through 2012. As AE brings new units on line, additional NOx emission reductions at existing units would be made in order to comply with the cap. AE will achieve this cap through a combination of NOx reduction technologies at their existing plants, retirement of older generating units, increased utilization of renewable energy and energy efficiency.

LCRA - LCRA is considering taking a cap on the emissions from all of its plants in the 5-county area. The final level of this cap is yet to be defined, but would be no greater than current emissions. LCRA would likely follow the precedent it set at the Lost Pines Power Park and offset NOx emissions from any new power plant it built in the 5 counties. The Fayette Power Project (co-owned with Austin Energy) is covered by a flexible permit that requires interim NOx emission caps by 2005 and a final NOx cap by 2012. Early performance data on controls installed at one unit show actual emissions are 20-30% below the interim cap. LCRA will consider lowering or accelerating the caps required by the flexible permit.

The University of Texas at Austin - UT is proposing a 75% reduction in the allowable annual NOx emissions from its grandfathered units. The historical potential NOx emissions from these units is 1,388 tons per year. Under the current VERP application the University will limit NOx emissions from grandfathered units to 341 tons per year. The University will meet these reduced emissions levels by limiting operating hours on certain equipment and by installing 10-year BACT controls on other equipment. Controls are proposed to be added to Boiler #7 in 2004 and Boiler #3 in 2005. The University will continue to operate its permitted unit (Gas turbine/boiler #8) as usual; this unit has average NOx emissions of 394 tons per year.

IMPLEMENTATION: Agreed order (AE, LCRA) or permit (UT)

REGIONAL COSTS: TBD

EXPECTED POLLUTION REDUCTIONS: TBD

Appendix B

Description of Emission Reduction Measures in Table 2

B1. Texas Emission Reduction Program (TERP)

DESCRIPTION: Secure all available TERP incentives/grants for equipment and fuels in the five county area. Available incentives/grants cover the incremental cost of cleaner diesel on-road and off-road engines and equipment, cleaner fuel needed for the equipment and clean fuel infrastructure.

B2. Texas Low Emission Diesel (TxLED) for Fleets

DESCRIPTION: Purchase and use Texas Low Emission Diesel in on and non-road vehicles and equipment.

B3. Transportation Emission Reduction Measures (TERMs)

DESCRIPTION: Implement transportation projects and programs that reduce emissions. Projects and programs include improved transit options and level of service, intersection improvements, grade separations, signal synchronizations and/or improvements, peak and/or off-peak traffic flow improvements, park and ride facilities, bike/ped facilities, high occupancy vehicle lanes, rail, demand management, intelligent transportation systems etc. Many TERMS are already planned and funded. CAMPO has issued a call for projects that may provide funding for additional TERMS.

B4. Access Management

DESCRIPTION: Adopt access management regulations or guidelines for new or re-development. TxDOT has proposed guidance available. Access management includes managing roadway access by limiting the number and location of allowable curb cuts and driveways, consolidating access to multiple business through one main driveway, side road etc. Access management reduces congestion, vehicle delay and associated emissions.

B5. Alternative Commute Infrastructure Requirements

DESCRIPTION: Require all new non-residential developments of 25,000 sq. ft or more and developments that increase their square footage 25% or more and have/expect 100+ employees on the site to include bicycle commuting facilities (parking/racks and showers) and preferential carpool/vanpool parking spaces.

B6. Drive-Through Facilities on Ozone Action Days

DESCRIPTION: Require or encourage businesses with drive-through facilities to post signs on Ozone Action Days asking customers to park and come inside instead of using the drive-through facilities. Encourage the public to comply.

B7. Expedited permitting for mixed use, transit oriented or in-fill development.

DESCRIPTION: Provide an expedited permitting process and/or other incentives for mixed use, transit oriented or in-fill development. Developments would have to meet certain performance criteria in order to qualify for expedited permitting.

B8. Use of electric or alternative fuels for airport GSE

DESCRIPTION: This category includes new and in-use ground support equipment (GSE) used in airport operations. GSE perform a variety of functions, including: starting aircraft, aircraft maintenance, aircraft fueling, transporting cargo to and from aircraft, loading cargo, transporting passengers to and from aircraft, baggage handling, lavatory service, and food service. The Air Transportation industry has informed Central Texas that they will oppose any requirements on their industry.

B9. ABIA Airside incentives for GSE use reduction

DESCRIPTION: ABIA has begun and will complete the addition of building supplied power and preconditioned air for all aircraft parked at the gate. This will eliminate the need to run on-board auxiliary power units (APUs), and air-conditioning (ACUs) and ground power units (GPUs) by the air carriers if they will participate. It is not clear if we can mandate their use, or if it will need to be on a voluntary basis. Implementation might require creating incentives or use restrictions. Estimated 0.16 tpd NOx reduction.

B10. Integrate alternative fuels into City's aviation fleet

DESCRIPTION: Begin replacement of Aviation Fleet equipment with propane fuel starting FY2003. Purchase of 10 propane pro-turf mowers, and 4 propane non-road truck-alls. Planned purchases at this time. Future replacement subject to budget provisions.

B11. Operate alternative fueled surface parking lot shuttle buses

DESCRIPTION: ABIA currently operates 29 propane buses for passenger service between the terminal and the parking lots. Averages 25,000 gallons of propane per month. Estimated 60% NOx reduction. Take credit for current operations.

B12. Use existing ABIA alternative fuel infrastructure for off-site parking shuttle buses

DESCRIPTION: Propane fueling infrastructure is available at ABIA that could be used to refuel off-site parking shuttle buses. Encourage or mandate these services to shift to propane by 2005. Estimated 60% NOx reduction.

B13. Low VOC Striping Material

DESCRIPTION: Require use of reformulated striping material products (i.e., water-based paints or thermoplastic) to achieve VOC reductions.

B14. Landfill Controls

DESCRIPTION: Adopt control strategy for municipal solid waste landfills based upon the EPA's New Source Performance Standard (NSPS) and Guidelines. A municipal solid waste landfill is a disposal facility in a contiguous geographical space where household waste is placed and periodically covered with inert material. Landfill gases are produced from the aerobic and anaerobic decomposition and chemical reactions of the refuse in the landfill. Landfill gases consist primarily of methane and carbon dioxide, with volatile organic compounds making up less than one percent of the total emissions. Although the percentage for VOC emissions seems small, the total volume of gases is large.

B15. Open Burning Restrictions

DESCRIPTION: Amend and/or adopt regulations to ban the open burning of such items as trees, shrubs, and brush from land clearing, trimmings from landscaping, and household or business trash, during the peak ozone season. It reduces VOCs and NOx.

B16. Tree Planting

DESCRIPTION: Implement landscaping ordinances to require additional urban tree planting. Reforestation improves air quality and energy efficiency.

B17. Extend energy efficiency requirements beyond SB5 and SB7.

DESCRIPTION: Require additional energy efficiency measures beyond SB5 and SB7, such as building design, revisions to codes and standards, and energy management programs for large commercial facilities. Additional energy efficiency measures could provide significant reductions in energy demand and demand-related emissions.

B18. Shift the electric load profile

DESCRIPTION: Require commercial facilities to develop overnight the reservoir of cold water needed to meet air conditioning needs the following day. Total energy consumption and emissions are not reduced, but the emissions are not generated during the day, reducing the potential for ozone formation.

B19. Environmental dispatch of power plants

DESCRIPTION: To meet peak demands, this strategy would involve "ramping up" power generation facilities that are either cleaner than normally used or located away from high NOx-producing areas (e.g., plants in Bastrop and Marble Falls rather than the Decker or Holly Street plants in downtown Austin).

B20. Clean Fuel Incentives

DESCRIPTION: Encourage and/or provide incentives to implement fuels that are cleaner than conventional gasoline and diesel, including alternative fuels, lower sulfur gasoline and low sulfur diesel

B21. Low Emission Vehicles

DESCRIPTION: Encourage and/or provide incentives for the purchase and use of Tier 2 Bin 3 or cleaner vehicles for fleets and private use.

B22. Adopt-a-School-Bus Program

DESCRIPTION: Encourage local school districts to participate in this CLEAN AIR Force sponsored program to replace or retrofit old diesel school buses with new, cleaner buses. Replacements and retrofits are implemented using 50% corporate sponsorship funds and 50% school district funds. EPA provides seed money to the CLEAN AIR Force for a fundraiser and program administration.

B23. Police Department Ticketing

DESCRIPTION: Implement aggressive police enforcement by local agencies of speed limits 55 mph or more and smoking vehicle restrictions. If the smoking vehicle is fixed within 60 days, the ticket could be waived.

B24. EPA Smart Way Transport Program

DESCRIPTION: EPA sponsored voluntary partnership with freight carriers and shippers to reduce fuel consumption and emissions through strategies such as idle reduction, improved aerodynamics, improved logistics management, automatic tire inflation systems, wide-base tires, driver training, low-viscosity lubricants, reduced highway speed and lightweight vehicle components. Participating carriers and shippers will meet voluntary performance goals and track progress. EPA will provide a calculation and tracking software tool and technical support. Several carriers and shippers have already signed up.

B25. Business Evaluation of Fleet Usage, Including Operations and Right Sizing

DESCRIPTION: Evaluate and improve the efficiency of fleet usage, including using alternative or clean fueled vehicles, using the cleanest vehicle appropriate for the job, consolidating and coordinating trips etc

B26. Parking Incentives for Alt Fuel or Low Emission vehicles

DESCRIPTION: Provide parking incentives for Tier2 Bin 3 or cleaner vehicles. These clean vehicles could be allowed to park for free at parking meters, have designated parking spaces. This would encourage the use of these cleaner vehicles.

B27. Commute Solutions Programs

DESCRIPTION: Encourage and provide tools to implement Commute VMT reduction programs (e.g. Teleworking, compressed work week, carpooling/vanpooling, bus fares, subsidized transit pass, flextime, carpool or alternative transportation incentives etc.). The Commute Solutions program provides information and tools to implement these programs. Could be used to support a commute emission reduction regulation.

B28. Direct Deposit

DESCRIPTION: Offer employees direct deposit potentially saving at least one vehicle errand per pay period.

B29. e-Government and/or Available Locations

DESCRIPTION: Provide web-based services, both for information and transactions, and/or multiple locations for payments, etc., Reduces VMT and associated emissions.

B30 Voluntary use of APUs for locomotives operating in Central Texas

DESCRIPTION: Controls for locomotives are pre-empted by Federal law, but voluntary controls might have some success, since using Auxiliary Power Units (APUs) also decreases fuel costs to the railroad companies. CSX has been considering the use of APUs to reduce fuel use.

B31. Fueling of Vehicles in Evening

DESCRIPTION: Promote fueling vehicles after peak hot periods of the day have passed during ozone season.

B32. Urban Heat Island/Cool Cities Program

DESCRIPTION: Develop and implement Urban Heat Island (UHI) mitigation strategies. Since ozone forms at higher temperatures, the purpose of this strategy is to keep the city as cool as possible, through vegetation, cool roofing and light colored pavement.

B33. Resource Conservation

DESCRIPTION: Expand and quantify ongoing resource conservation programs (materials recycling, water and energy conservation, etc.).

B34. Increase investments by Central Texas electric utility providers in energy demand management programs

DESCRIPTION: This measure would involve the development of energy demand management programs in areas outside the Austin Energy service area. Austin Energy offers financial incentives to commercial and residential customers for installation of energy efficient appliances and technologies and they report a good correlation between their demand programs and reduced emissions at their power plants. This measure would encourage other utility providers in the region to develop similar programs.

B35. Alter production processes and fuel choices

DESCRIPTION: This strategy involves exploring opportunities to improve efficiency, to make changes in certain combustion processes, and/or to alter fuel choices where cost-effective. Some point sources in the area (e.g., Austin White Lime) are using natural gas for cost reasons. Given their production processes, using natural gas results in higher NOx emissions than using coal. Representatives have expressed interest in examining their production process and/or revisiting their fuel choices, particularly during the ozone season. Other point sources such as Lehigh Cement are also looking at rescheduling and fuel changes to reduce NOx.

B36. Contract provisions addressing construction related emissions on high ozone days

DESCRIPTION: Public contracts may include provisions to limit construction activities and equipment operation on high ozone days. A specified number of these high ozone days would be built into the contract. While controversial, it is one of the only ways to target non-road construction emissions.

B37. Ensure emission reduction in SEPs, BEPS and similar agreements

DESCRIPTION: Ensure that the primary impact of all air quality related SEPs, BEPs or similar agreements applicable to the EAC area, is to reduce emissions and improve air quality. EPA and/or TCEQ would consult, to the extent possible, with the local EAC signatories when developing any air quality related environmental mitigation agreement, such as a SIP, BEP or other similar agreement.

B38. Ozone Action Day Education Program

DESCRIPTION: Implement a public ozone education program, including ozone action days and recommended actions.

B39. Ozone Action Day Response Program

DESCRIPTION: Implement a program of specific emission reduction measures taken on ozone action days.

AGENDA ITEM 28

Consider approving revised Service Agreement with Leo Wood & Associates.

Commissioner Hays addressed the court regarding the Service Agreement with Leo Wood & Associates during the preparation for the work on the HUD grant. **Judy Langford** addressed the court regarding other alternatives to approving said agreement, including her company's desire to fulfill such an agreement.

Moved: **Commissioner Hays**

Seconded: **Commissioner Limmer**

Motion: To approve the revised Service Agreement with Leo Wood & Associates, which will allow for hourly compensation for administrative work at the rate of \$75.00 per hour for senior analysts and \$50.00 per hour for junior analysts, while not exceeding \$70,000.00. Said agreement also allows for the reimbursement of mileage, copies, and expenses at the county rate.

Vote: 4 - 0

COMMISSIONERS' COURT ADJOURNED TO EXECUTIVE SESSION AT 9:55 A.M. ON TUESDAY, NOVEMBER 4, 2003.

AGENDA ITEM 29

Discuss real estate (EXECUTIVE SESSION as per VTCA Govt. Code sec. 551.071 consultation with attorney.)

No action was taken on this item in Executive Session.

AGENDA ITEM 30

Discuss pending litigation: Carol Collins VS. Gene Taylor (EXECUTIVE SESSION as per VTCA Govt. Code sec. 551.071 consultation with attorney.)

No action was taken on this item in Executive Session.

AGENDA ITEM 31

Discuss vehicle damage claim by Joyce Windham from August 27, 2003 (EXECUTIVE SESSION as per VTCA Govt. Code sec. 551.071 consultation with attorney.)

No action was taken on this item in Executive Session.

COMMISSIONERS' COURT RECONVENED FROM EXECUTIVE SESSION AT 10:14 A.M. ON TUESDAY, NOVEMBER 4, 2003.

AGENDA ITEM 32

Discuss and take appropriate action on real estate.

Moved: **Commissioner Boatright**

Seconded: **Judge Doerfler**

Motion: To authorize **Judge Doerfler** to sign a contract pertaining to CR 276 with the Butler – Winters property.

Vote: 4 - 0

AGENDA ITEM 33

Discuss and take appropriate action on pending litigation: Carol Collins VS. Gene Taylor.

No action was taken on this agenda item.