

**CLIMATE CHANGE ADVISORY COMMITTEE
MEETING MINUTES
October 24, 2017
10:00 a.m. – 2:00 p.m.
Conference Room 105
Rachel Carson State Office Building**

MEMBERS/ALTERNATES PRESENT:

Chairperson Steve Krug, Gregory Czarnecki (alternate for Sara Nicholas), Joseph Sherrick, Paul Opiyo, Lindsay Baxter, Terry Bossert, Luke Brubaker, Grant Gulibon (alternate for Luke Brubaker), Zakia Elliott, George Ellis, Robert Graff, Mark Hammond, Patrick Henderson, Gary Merritt, Marc Mondor, and Mike Winek

MEMBERS ABSENT:

Rep. Ryan Bizzaro, and Steve Winberg

PROXY VOTING:

None

PA DEP STAFF:

John Krueger, Jessica Shirley, Jennie Demjanick, David Althoff, Kerry Campbell, Mark Hand, Allen Landis, Cheryl Vasquez and Mark Brojakowski

MEMBERS OF THE PUBLIC:

Bob Barkanic (The Barkanic Group, LLC); Cassie Bhat and William Prindle (ICF Inc.)

REGULAR MEETING:

The October 24, 2017, regular meeting of the Climate Change Advisory Committee (CCAC) was called to order at 10:01 a.m. by Chairperson Steve Krug. With 11 of 14 seated members present at the start of the meeting, a quorum was established.

MINUTES:

The minutes of the August 7, 2017, CCAC meeting were presented to the committee by Mr. Krug for approval. A motion to accept the minutes was made by Mr. Mondor and was seconded. The motion carried by voice vote.

MEETING SUMMARY: (This narrative provides a summary of the discussions that took place during the meeting. It is not a transcript of the proceedings.)

MEMBERSHIP UPDATE:

The two Governor's appointments that had expired have now been reappointed, along with the appointment of two new members to fill the last two of the six appointments under the Governor's authority.

The CCAC now carries four vacancies (one from Senate majority, one from Senate minority, one from the House minority and one from the House majority). DEP continues to work on filling these vacancies.

PA AGENCY PRESENTATIONS:

VW Settlement:

DEP's Mobile Source Program's Samantha Harmon offered the CCAC a presentation on the VW Settlement. Ms. Harmon began her overview with a recap of the violation. In 2016, Volkswagen and several of its subsidiaries were sued by the Federal government and others for installing devices on some model year 2009-2016 diesel passenger vehicles that altered the emissions from the vehicles, resulting in illegal emissions of oxides of nitrogen (NOx) throughout the country, including in Pennsylvania. As part of the settlement, an Environmental Mitigation Trust Fund of approximately \$2.7 billion was created, with funding allocations specified for each affected state or territory.

In late 2016 and early 2017, three partial consent decrees were filed with and approved by the court, addressing the Environmental Mitigation Trust Fund, including allocations, as well as consumer remedies such as a vehicle recall/repair program to buy back or repair at least 85 percent of the unlawful vehicles. Pennsylvania will receive a little over \$118 million of the Environmental Trust Fund to go towards funding Eligible Mitigation Actions and administrative costs. The consent decrees also established a VW Zero Emissions Vehicle (ZEV) Investment Commitment (\$2.0 Billion) that will support the development and deployment of electric vehicles and associated infrastructure. VW will control the distribution of these funds through its subsidiary, Electrify America. The states do not select these projects but can support or endorse projects submitted to VW. These funds will be distributed by VW in 4 rounds of 30 months each.

In addition, DEP and the Office of Attorney General filed a lawsuit in Commonwealth Court against VW for violations of the PA environmental laws and regulations

Ms. Harmon also spoke about the Draft Beneficiary Mitigation Plan. The Draft Plan was published in May 2017 for public comment. The public comment period closed on July 5. DEP also held six listening sessions throughout the state in June and received approximately 400 comments, nearly 200 of which were individual comments and not form letters. DEP has reviewed the comments and is considering them in developing the Final Beneficiary Mitigation and the funding programs. On October 2, 2017, the final fully executed Environmental Mitigation Trusts were filed with and approved by the court, establishing the Trust effective date as October 2, 2017. The final Trust Agreements include the final forms for the Certification of Beneficiary Status and the documents required to submit funding requests to the Trustee, Wilmington Trust.

Finally, Ms. Harmon touched on future actions, the Certificate of Beneficiary Status and the Final Beneficiary Mitigation Plan. Ms. Harmon also provided contact information for additional information. The presentation was followed by a question-and-answer period where multiple committee members commented.

Policies Update:

Jennie Demjanick of DEP's Policy Office offered the CCAC an overview of updates to the regulatory, technical guidance and advisory committee policies. The policy updates are intended to increase transparency and clarity, facilitate meaningful conversation between DEP and all stakeholders interested in participating in policy development, and move DEP's internal workflow processes into Standard Operating Procedures (SOP) for simplicity.

The Technical Guidance Document (TGD) was significantly simplified from the previous version. Specifically, much of the previous content included internal direction and procedures for DEP staff. With added simplicity in mind, the internal direction not pertinent to the public's understanding of the TGD process was removed and transferred to an SOP. In addition, a section titled "Providing Comments" was added to provide clarity to the public regarding where the public can submit comments and what information should be included in their comments.

The Regulatory Review Policy provides an overview of how DEP develops regulations necessary to effectively implement Commonwealth and Federal environmental laws for promulgation as appropriate, based on the expertise of DEP and other Commonwealth agency staff, departmental advisory committees, boards and councils, and on comments received during the public participation process. Several updates to this policy were made to ensure that it remains relevant to current practices. Also, updates were required to explain how amendments made to the Regulatory Review Act of 2012 impact the way DEP carries out its regulatory review and development process. Like the TGD policy, the original regulatory policy included information that is better suited for an SOP.

The goal in updating the Advisory Committee Guidelines is to ensure meaningful collaboration with DEP advisory committees and the public. One of the most important roles advisory committees play is in the review and development of DEP's TGDs and regulations. The basic structure of this policy describes committee membership and appointment procedures, sometimes determined by statute, and the creation of committee bylaws. Additionally, meeting schedules, cancellations, and rescheduling are all published in the *Pa. Bulletin* and to the DEP's website under the Public Participation section. Each committee and board has its own web page under the Public Participation section of the DEP website, which is also where all meeting materials and agendas will be posted at least two weeks in advance of the next meeting.

Finally, the Advisory Committee Guidelines attempt to help everyone understand their roles at an advisory committee meeting. Committee members are asked to review meeting materials ahead of time to facilitate discussion at the meeting, especially when the committee will be voting on a regulatory package or TGD. The policy also describes the role of the public at the meetings. All committee meetings must provide time on the agenda for public comment.

OUTSIDE AGENCY PRESENTATION:

EP-ACT:

Mr. Tony Bandiero, Executive Director of the Eastern Pennsylvania Alliance for Clean Transportation (EP-ACT) offered an overview presentation on the ACT programs and various types of alternative transportation fuels.

EP-ACT, or Clean Cities, is sponsored by the Department of Energy's (DOE) Office of Energy Efficiency and Renewable Energy's Vehicle Technologies Program (EERE). EP-ACT endeavors to coordinate activities, identify mutual interests, develop regional economic opportunities, and improve air quality. Clean Cities coalitions are locally based with the ability to tap national resources and are comprised of public and private companies and assist with: Workshops/educational seminars, Training, Fleet Analysis, Facility Analysis, Informational Resources, Market Resources, Incentives, Grant Writing, Grant Administration and Program Management. The program goal is 2.5 billion gallons of petroleum reduced annually by 2020. The portfolio of EP-ACT-supported alternative fuels consists of Biodiesel, Ethanol, Hydrogen, Natural Gas, Natural Gas (CNG and LNG), Propane, Hybrid and Electric Drive Vehicles. In conclusion, Mr. Bandiero highlighted some of EP-ACT's upcoming events and invited the members to attend. Numerous members of the committee asked questions, provided comments and suggestions on the EP-ACT programs and activities.

ICF:

Cassie Bhat and Bill Prindle of ICF, Inc., were on hand to discuss ICF's overall project approach, the Energy Assessment/Resources tasks and interim results from the adaptation tasks. ICF's project task sequence approach consists of eight integrated tasks based on the eight deliverables of the original contract between ICF and DEP. The first three tasks account for the comprehensive energy assessment, the energy resources assessment and the energy assessment report. The next three tasks include an energy and climate goals assessment with recommendations, greenhouse gas reduction strategies, and an economic analysis of the strategies. The next task takes in adaptation and adaptation strategies, and the final task is a final report—the actual Climate Change Action Plan.

ICF's presentation included explanations and discussion on Tasks 1, 2, 3 and 7:

Task 1, Comprehensive Energy Analysis objectives are to summarize present statewide historical projected data by sector and fuel type and reflect existing policies and identify key trends and patterns in state energy production and consumption.

Task 2, Energy Resource Assessment objectives are to develop supplemental resource assessments to include energy efficiency, fossil fuels, renewable fuels, renewable power, transportation and Dwelling Emissions Rates (DER). It will also define sectoral energy resources, develop environmental impact and economic benefits and cost estimates and produce a task summary and spreadsheet(s).

Task 3, Energy Assessment Report combines and summarizes the findings from Tasks 1 and 2.

Task 7, Adaptation Strategies objectives are to identify actions that citizens, businesses, and state and local leadership can take to reduce vulnerabilities and compile an adaptation strategies database, prioritizing citizen actions.

Numerous members of the committee asked questions and provided comments and suggestions on the development of the tasks outlined in the presentation. ICF was interested in hearing from the Committee and will take into consideration the input of the Committee with these four tasks and throughout the development of the Climate Change Action Plan.

A copy of ICF's PowerPoint will be made available in PDF format on the CCAC's website.

DEVELOPMENT OF THE 2018 CLIMATE CHANGE ACTION PLAN (UPDATE):

The committee, the Department and the representatives of ICF continued to discuss the development of the next UPDATE. Committee members offered their thoughts on the Energy Assessment, Energy Resource Assessment and Adaptation Strategies. The members had some suggestions about documents and data that were not mentioned by ICF in the development of the adaptation task, in particular, the State's Emergency Plan, the Resilient PA Document, and how we build infrastructure and buildings for the future. The Committee also expressed concern about being afforded the opportunity and time to review and comment on the completed tasks.

ADMINISTRATIVE ITEMS:

- Provide an updated timeline for ICF's Climate Change Action Plan work.
- Post ICF's and EP-ACT's PowerPoints to the CCAC website.

PUBLIC COMMENT(S):

None

ADJOURNMENT:

A motion to adjourn was made by Mr. Graff and seconded. The motion carried, and the meeting was adjourned at 2:00 p.m.