

***West Coast Diesel Emissions Reductions Collaborative***  
**Construction and Distributed Generation Sector Workgroup Meeting**  
**August 18, 2004**

The West Coast Diesel Emissions Reductions Collaborative Construction and Distributed Generation Workgroup met by conference call on August 18, 2004.

The purpose of the meeting was threefold:

1. Build a common understanding of near and mid-term Collaborative efforts
2. Provide an update and get input on the September 30<sup>th</sup> roll-out
3. Share information on emerging projects, and identify next step responsibilities

**Collaborative Update**

Rick Albright, EPA Region 10, began the call by reiterating the Collaborative goals and strategies, and provided an update on Collaborative progress to date.

The overall goal of the Collaborative is *to reduce diesel emissions along the West Coast from the dirtiest engines in the most impacted communities.*

There are four primary strategies targeted to achieve this goal.

1. Build the Collaborative as an information base for diesel reductions strategies and resources
2. Identify, help fund, and implement projects to reduce diesel emissions
3. Publicize projects locally and nationally
4. Develop technical papers and marketing pieces

As a reminder of progress to date, June 15<sup>th</sup> was a successful kick-off and included over 120 participants. The first series of Collaborative Workgroup conference calls occurred in July, 2004; these calls were focused on identifying and clarifying potential short-term and mid-term projects. Since those calls, there has been significant discussion and off-line organization among smaller groups focused around particular projects or project areas

On July 29, 2004 the Interim Steering Committee met to discuss project opportunities across the Workgroups and to plan a major Collaborative press event for September, 2004. The next Interim Steering Committee meeting is on August 19<sup>th</sup>.

**Funding Update**

Peter Murchie, EPA Region 10, followed with an update on the state of funding and initial expectations for a Collaborative press event, currently planned for September 30, 2004.

The Federal agency budget process is a bit confusing. Right now the Federal government is approaching the end of the FY04 budget season (9/30/04), Congress is debating the FY05 budget, and federal agencies will be submitting their FY06 budget requests to the Office of Management and Budget (OMB) this fall.

Therefore, for both FY04 and FY05, EPA, DOE, USDA, and DOT (as well as the states and local air districts in CA, OR, WA and AK) have all spent/will spend millions of dollars to reduce diesel emissions using existing funds. Because the Collaborative did not exist when these budgets were being developed, these are for the most part expenditures under existing programs, and not necessarily under the auspices of the Collaborative.

That said, some federal agencies (like EPA), have small amounts of discretionary funds, of which EPA was able to garner about \$500K to put towards the Collaborative. It is EPA's hope to garner even more funds in FY05 from discretionary federal funds, and possibly create the beginning of a "West Coast Diesel Emissions Reductions Fund" with the support of private resources and foundations.

In addition, as part of its FY06 budget preparations, EPA is working with its federal partners to frame new funding requests for FY06 to create dedicated federal funds specifically for the Collaborative.

#### Summary:

- FY04: about \$500K discretionary EPA funds redirected to high-priority Collaborative projects
- FY05: goal is to identify \$1 million in discretionary EPA funds to direct to high-priority Collaborative projects, and to complete negotiations with a foundation to create a multi-million dollar fund for Collaborative projects.
- FY06/07: goal of identifying \$100 million in dedicated Collaborative funding, and identifying a clear path to better utilize DOT CMAQ funds (\$1.5 billion nation-wide per year) for high-priority Collaborative projects.

#### **September 30th Collaborative Press Event**

At the June 15<sup>th</sup> Workshop, EPA outlined the criteria for near-term Collaborative projects:

- Announceable in 0-6 months; implementable in 0-1 yr; completed in 1-5 yrs
- Regional in scope (i.e. multi-state impacts/benefits)
- Potential to leverage other funds (fed/state/local/private/non-profit)
- Potential for real/measurable reductions
- Potential high profile announcement

As such, the Collaborative is currently planning a September 30th press event to bring attention to the impacts of diesel emissions, the efforts already underway at the state and local levels to reduce these impacts, the formation of the Collaborative to build upon these successes and leverage additional funds and efforts collectively, and to announce a few small near-term Collaborative projects.

The goals for the September press event are to:

- Show near-term regional successes from working together under the auspices of the Collaborative
- Build relationships/set the foundation for future projects
- Garner the attention of the press
- Keep the focus on IMPLEMENTING regional diesel mitigation projects

Based on the June 15th Collaborative meeting, and the sector Workgroup meetings in July, the Interim Steering Committee has identified three projects with outstanding momentum, promising outcomes, and appropriate funding needs, that may be appropriate to feature in the September press event. Although no final decisions have been made, the Committee is considering:

- I-5 anti-idling at truck stops, announcement in Portland, OR
- Locomotive equipment retrofits, announcement in Bakersfield, CA
- Port emissions reductions projects, announcement in Seattle, WA

In addition, other projects may be highlighted in related announcements at the local level, or may be included in the main Collaborative announcements, as appropriate.

It is important to remember that the September press event is just a kick-off event to begin to bring attention to - and highlight the need for funding for – diesel emission reduction projects on the west coast.

### **July 20<sup>th</sup> Construction and Distributed Generation Meeting Recap**

The meeting covered a number of potential project areas – three of which seemed to have sufficient momentum for follow-up:

- Legislative language under NEPA (National Environmental Protection Act) or CEQA (California Environmental Quality Act) type regulation. Previous discussion included legislative language for CA, CT, and MA.
- Potential identification of greener construction projects, both in terms of equipment and fuels, and in terms of practices, in major state or federal projects.
- Lower sulfur fuel supply issues; in particular exploring whether construction sector demand could add significantly toward the tipping point in Oregon.

In addition, there were a number of suggestions for work to increase information-sharing among Collaborative participants:

- A 1-800 number as there is for on-road; follow-up indicates that this does exist, but it is not widely used.
- Potential for additional Carl Moyer style or TERP program (Texas Emission Reduction Plan which has millions of dollars allocated for construction). While this may be possible under the whole Collaborative with significantly more resources, this is not an immediate possibility.
- EPA's Clean Construction USA.
- Sacramento's ozone summit and green construction efforts.

### **Workgroup Priorities and Discussion**

The working group discussed four potential project-area priorities.

#### ***NEPA/CEQA legislative language to promote “green construction”***

Daniel Reich, EPA Region 9, has taken the lead on National Environmental Policy Act/ California Environmental Quality Act (NEPA/CEQA) legislative language. He laid out a potential five-pronged strategy for government contract language:

- First, potential for contractual incentives in RFP's for new contracts; this could include filters or controls, but also practices like idle reduction.
- Second, agencies could evaluate whether changes can be made to existing contracts for similar incentives when they come up for a renewal, however, it is a challenge to alter existing contracts.
- Third, more like NEPA - require a construction emissions mitigation plan such as in Region 9.
- Fourth, examine revising CEQA handbooks to include PM as a toxic air contaminant that would change the rules (currently treated as a criteria pollutant as far as triggering mitigation requirements).
- Fifth, incentive funding for smaller companies on a need basis to borrow money for pollution controls.

Bill Warf, from Sacramento Metropolitan Utility District suggested that in a power plant project, PM is treated as a toxic contaminant and therefore measures for reduction become negotiated because control is a feasibility issue. However, Larry Sherwood, from Sacramento Metropolitan Air Quality Management District, commented that PM thresholds for criteria pollutants do exist using a calculated function considering variables such as equipment being used. The thresholds are determined by the CEQA document and project analysis over 5 year period.

The discussion continued to include...

There are some significant competitive concerns among contractors if legislation such as this were adopted. There is a risk that smaller, local contractors are hindered, and large, national contractors will have an insurmountable advantage in competing for government contracts. On the other hand, small contractors often rent equipment for job and can actually have cleaner equipment than the larger contractors who often own their own old equipment. The green contracting concept just starting in Sacramento area, and expect bigger contractors to go through the Carl Moyer program.

#### *Next steps*

Mr. Reich will write-up document (although legal sensitivities require him to check with Washington D.C. before distributing the document). Please be in touch with Mr. Reich with any additional comments.

Although Oregon doesn't have a similar NEPA style legislation, Washington does have a state environmental policy act and Dan's write-up will attempt to include applicability for Washington.

In addition, the apparent interest in the ideas and potential for information sharing suggests a regional forum may be an appropriate step in the future.

#### ***Near term construction bidding pilot project***

Karen Irwin has taken an initial lead within the group to pursue a large road construction or building project to further explore concepts to encourage equipment retrofits through the

contracting process. Ms. Irwin, and others, are currently in the process of trying to find an appropriate project.

One suggestion is that rather than finding one project, during the construction season really (which starts next spring) the Workgroup could work with Federal Highway Administration (FHA) and state transportation projects, such as I-5 interstate highway improvement projects. Current efforts have focused in California, but additional participation in other states may be helpful. FHA has been involved in previous calls; and often FHA points you to MPOs.

The first point of contact could be the Department of Transportation Collaborative member and state people as appropriate. For instance, Washington DOT is making a commitment to change over some construction equipment. There is also an Eastern Washington region grant to retrofit maintenance equipment for DOT. Also, Larry Green has an appropriate CalTrans contact for similar efforts. Puget Sound Clean Air Agency also reports they have been working through several of these groups for construction equipment – really starting to make progress now after a couple years.

#### *Next Steps*

Ms. Irwin and Mr. Reich encourage all Workgroup participants to be in touch with project ideas, contacts, or other related information. Ms. Irwin will continue to pursue potential projects.

Ms. Irwin  
[Irwin.karen@epa.gov](mailto:Irwin.karen@epa.gov)  
415-947-4116

Mr. Reich  
[Reich.dan@epa.gov](mailto:Reich.dan@epa.gov)  
415-972-3911

#### *Projects*

Michael Murphy currently has the lead for construction equipment programs. With a lot of equipment, it's relatively easy and inexpensive to repower to a Tier 1 standard. There's some interest in the lower emission Tier 2 standard, but meeting these standards is much more expensive. It is unclear which way is more cost effective.

Mr. Murphy suggested that there is a lot of activity in California in repowering, replacing and retrofitting. Although there's no a comprehensive understanding in Oregon or Washington, it is expected that information in the Northwest would be very similar to California, except for labor rates and the impacts of California's cleaner fuel.

#### *Next steps*

Pull together a matrix similar to that of the Locomotive and Rail group to evaluate cost effectiveness of various options (see matrix below). The group will need to identify information and experiences from other states and EPA HQ developing online resource to identify cost effectiveness may also be an important resource.

Program	Cost/ unit	Tons/% Reduced (NOx, PM, CO2, VOCs)	Cost Effectiveness (NOx, PM, CO2, VOCs)	Total possible units / Total tons reduced	Population Exposure / EJ impacts	Fuel Savings	Multi- Media Impacts	Opportunity to leverage additional funds	Other
Idle Reduction									
Retrofit Head-end Power									
Retrofit Long Haul Engines									
Retrofit Short Haul Engines									
Retrofit Non-road Equipment									

***ULSD and lower sulfur diesel supply***

As discussed before, Oregon has the demand but is facing challenges in getting the supply of ULSD. When the fuel becomes available, it won't require changes to the engines, which can get attractive reductions. Kevin Downing is currently leading the work to identify the minimum demand required to encourage a refiner to build a Portland terminal. BP in Bellingham, WA is on track to begin producing the fuel in late 2005. This should help lower the price to have another competitor in the region.

Alternative fuels have been demonstrated in other areas, but the clean diesel fuel is the most cost-effective approach. While it's possible to get ULSD now (there are at least three fleets in the state that are currently using ULSD, but at Herculean efforts) it's really a cost issue, and it's always difficult to justify any higher fuel cost. Particularly challenging in construction, but looking at ways to provide incentives.

*Next steps*

Since it is not likely that the Construction and Distributed Generation Workgroup will have a significant impact on ULSD demand, this is not likely to be a continued priority. The Workgroup should stay tuned for information coming from the Collaborative and if there are other ideas, please contact Mr. Downing (DOWNING.KEVIN@deq.state.or.us)..

**Other Ideas and Announcements**

A few noteworthy ideas and announcements completed the meeting:

- Tax incentives for rental equipment market may be another area to consider. Rental equipment market is increasingly large and important. Could a sector outreach strategy be appropriate?
- Washington Department of Ecology is developing a fall workshop (in November) and will include whatever's appropriate information from this workgroup. See end of notes for details.
- Puget Sound Clean Air Agency is holding a session on biodiesel in construction equipment in September. See end of notes for details. Seattle Housing Authority is looking for funding for some clean construction equipment and biodiesel use.
- Environmental Defense is also planning a fall workshop, details to follow.

### **Next Meeting**

Anticipate the next Workgroup meeting in mid to late October.

## Attendees

Contact Name	Contact Organization	Contact Phone	Contact e-mail
Cindy Catto	OR Associated General Contractors	503-685-8329	CINDYC@agc-oregon.org
Timothy Taylor	Cleaire	916-296-7049	timothy.w.taylor@cleaire.com
Ellen Garvey	Cleaire	415-421-4213 ext 12	egarvey@pacbell.net
Wayne Borean	Nett Technologies	905-672-5453	wborean@nett.ca
Brewster Boyd	Ross and Associates	206-447-1805	brewster.boyd@ross-assoc.com
Elizabeth McManus	Ross and Associates	360-570-0931	elizabeth.mcmanus@ross-assoc.com
Bill Warf	Sacramento Metropolitan Utility District	916-732-6976	bwarf@smud.org
Pattie Monahan	Union of Concerned Scientists	510-843-1872, X-308	pmonahan@ucsusa.org
Kate Larsen	Environmental Defense	510-658-8008	klarsen@environmentaldefense.org
Kim Heroy-Rogaski	California Air Resources Board CARB	916-327-2200	kheroyro@arb.ca.gov
Bob Saunders	Washington State Department of Ecology	360-407-6888	rsau461@ecy.wa.gov
Mike Boyer	Washington State Department of Ecology	360-407-6863	mboy461@ecy.wa.gov
Kevin Downing	Oregon Department of Environmental Quality	503-229-6549	DOWNING.Kevin@deq.state.or.us
Rick Albright	U.S. EPA, Region 10	206-553-1847	albright.rick@epa.gov
Peter Murchie	U.S. EPA, Region 10	503-326-6554	murchie.peter@epa.gov
Wayne Elson	U.S. EPA, Region 10	206-553-1463	elson.wayne@epa.gov
Michelle Roos	U.S. EPA Region 9	415-947-4187	roos.michelle@epa.gov
Karen Irwin	U.S. EPA Region 9	415-947-4116	irwin.karen@epa.gov
Daniel Reich	U.S. EPA Region 9	415-972-3911	reich.daniel@epa.gov

<b>Contact Name</b>	<b>Contact Organization</b>	<b>Contact Phone</b>	<b>Contact e-mail</b>
Larry Greene	California Air Pollution Control Officers Association/Sacramento Metroplitan Air Quality Management District	916-874-4802	lgreene@airquality.org
Larry Sherwood	Sacramento Metroplitan Air Quality Management District	916-874-4880	lsherwood@airquality.org
Michael Murphy	Bay Area Air Quality Management District	415-749-4644	mmurphy@baaqmd.gov
Dave Kircher	Puget Sound Clean Air Agency	206-689-4050	daveK@pscleanair.org

## **"Clean Construction Washington" Workshop**

**November 10, 2004**

On November 10, 2004, the Washington State Department of Ecology's Air Quality Program, in cooperation with the Washington Chapter of the Association of General Contractors, will host a one-day workshop, "Clean Construction Washington", at the Renton Community Center. Ecology invites the Local Air Authorities to help plan and coordinate this important event, and are providing this early notice in order to ensure adequate lead time for developing the agenda.

Although air quality in Washington has significantly improved during the last decade, federal, state, and local air agencies have assessed that toxic air emissions from diesel engines create unacceptable health risks in Washington. Statewide, construction equipment generates about one fourth of our diesel emissions. Reducing diesel emissions by retrofitting existing equipment with emissions control technology and adopting anti-idling policies can provide significant benefits for improving public health.

The workshop is intended to initiate dialogue among air quality officials, equipment owners, fleet managers, contract managers, and construction contractors on approaches for reducing diesel emissions from construction related activities. The workshop will explore strategies to reduce emissions from both privately and publicly owned equipment, plus identify potential sources to fund selected strategies.

Ecology will send a workshop announcement to industry stakeholders in mid-August, followed by a formal flyer with agenda in September. If you have ideas regarding speakers and agenda topics, please contact Mike Boyer (see contact information below) as soon as possible.

### **State, Regional, and National Initiatives to Reduce Diesel Emissions**

**West Coast Diesel Collaborative:** EPA Region 9 and Region 10 have initiated a regional collaborative effort to reduce diesel emissions along the I-5 corridor from the USA borders from Mexico to Canada. The collaborative is seeking \$100,000,000 per year, for the next five years, to fund projects that reduce diesel emissions.

**EPA National Effort to Reduce Diesel Emissions:** During EPA's June, 2004 workshop, "Tomorrow's Technology for Today's Engines" in WA DC, EPA hosted a "clean construction" workshop, and announced their intent to establish a "Clean Construction USA" program similar to their "Clean School Bus USA" program. The "Clean Construction USA" program would provide federal funding to reduce diesel emissions from construction related activities.

**Washington State Sustainability Plan:** In order to insure preservation of Washington's natural resources, the governor's plan directs state agencies to adopt purchasing practices that include the concept of "sustainability". The Department of Ecology will provide technical assistance to retrofit diesel equipment in state fleets, and will work with stakeholders to develop strategies that reduce diesel emissions from state contracts for the construction of highways and buildings.

## **Purpose of Workshop**

The workshop creates an opportunity for stakeholders to explore ideas and exchange information for developing strategies that achieve "clean construction". Ecology will present information based upon our statewide assessment of air toxics that demonstrates the need to reduce diesel emissions. The Association of General Contractors has volunteered to help coordinate the workshop, and will present valuable information on the construction industry. We will discuss case studies from projects and programs in other areas, and explore emission reduction strategies that will work best in Washington. With emerging regional and federal programs on the horizon, the workshop provides us an opportunity to develop a process to acquire and use these regional and federal funds in a cost effective way.

## **Attendees**

Representatives are expected from state, federal, and local air and transportation agencies, state and local government fleet managers, the construction industry, equipment rental companies, and diesel retrofit vendors. This day long workshop includes a working lunch for 125 people. In order to budget appropriately, we would like to get an early head count regarding the number of air quality representatives that will attend. By August 20, please provide us with the number of people that will attend from your agency.

### **For Additional Information:**

Mike Boyer

Environmental Planner

Air Quality Program

WA Dept of Ecology

360-407-6863

*Tentative September workshop draft agenda below...*

*For more information, contact: Dave Kircher at [daveK@pscleanair.org](mailto:daveK@pscleanair.org)*

## Cleaning up the Job Site

# Supporting Sustainable Construction Practices Through the Use of Biodiesel

*An interactive workshop for developers, architects and contractors on incorporating biodiesel into the construction industry.*

The workshop will provide education on the benefits and use of biodiesel, present success stories from contractors and fleets who are using biodiesel, a discussion with developers who have incorporated biodiesel into the bid process, and provide a nuts-and-bolts discussion of where to get biodiesel and job site logistics.

### WORKSHOP AGENDA

- 7:30 Registration**  
*Come early to view informational displays about biodiesel, network with those in the biodiesel industry, and enjoy coffee and pastries.*
- 8:00 Welcome**  
Linda J. Graham, Puget Sound Clean Cities Coalition
- 8:05 Diesel Issues and Trends and The Role of Biodiesel**  
*Learn about the various efforts to address diesel-related concerns and the valuable role of biodiesel in on- and off-road applications.*  
Linda J. Graham, Puget Sound Clean Cities Coalition
- 8:20 Supporting Sustainable Building Practices Through the Use of Biodiesel**  
George Ostrow, Velocipede Architects
- 8:30 Biodiesel Basics**  
*This session will provide answers to a variety of questions: What is biodiesel? What are its benefits? How will it affect my engine performance? Where is it available?*  
Scott Hughes, National Biodiesel Board  
Linda J. Graham, Puget Sound Clean Cities Coalition
- 9:00 Break**
- 9:15 Biodiesel Success Stories**  
*Success stories on the use of biodiesel abound, including here in the Puget Sound area. Presenters will include The RAFN Company on the 23<sup>rd</sup> and Judkins Project and the Seattle Housing Authority on the Highpoint Project.*
- 10:15 Break**
- 10:30 The Nuts and Bolts of Biodiesel Logistics**  
*A detailed session covering what you need to know before using biodiesel, how to get biodiesel in your fleet and jobsite logistics, and how to incorporate biodiesel into a job and bid documents.*  
Scott Hughes, National Biodiesel Board  
Linda J. Graham, Puget Sound Clean cities Coalition  
The RAFN Company and Seattle Housing Authority
- 11:45 Questions and Wrap-up**