

California Transportation Conformity Working Group

Thursday, May 27, 2004 - SCAG Offices

NOTES

Welcome; introductions; housekeeping; agenda review

FHWA Updates

- Update on Status of TEA-21 Reauthorization (Steve Luxenberg): The bills are not yet in conference committee. Hoping to have something in place by the end of June or we will need an additional extension. A CMAQ binary approach is included in the Administration's bill - weighting is the same regardless of classification. There's a table on FHWA's web site which projects funding for reauthorization based on historical allocations. The estimates are therefore in error since they do not account for the following: 1) Changes in the NAAQS designations/classifications, 2) changes to the apportionment formula that will most likely occur with reauthorization.

Question: Current CMAQ guidance includes a weighting factor by populations - will the new tables include population? *Answer:* Not sure, but likely.

Question: What about changes to the conformity rule (cycle changed from 3-4 or 5 years)? Emissions Analysis - beyond attainment year? *Answer:* We are not sure yet. There are proposals for analysis beyond 10 year of plan, attainment date or completion of last regionally significant project, but we are not sure what will happen with those proposals.

Question: What about subpart 1 basic areas? *Answer:* We aren't sure if changes will be made to make CMAQ funding available for these areas.

Note that FHWA has posted a side-by-side comparison of the reauthorization bills on the web site listed above.

- Financial Constraint (see attachment: A Guide to Federal and State Financial Planning Requirements) (Lee Levine & Wade Hobbs): FHWA started with a discussion of the nexus between conformity/planning requirements and financial constraint and the new guidance that they've put together concerning the financial planning requirements and how they apply to MPOs. 40 CFR 93.108 requires plans and TIPs to be constrained to be in conformity. In nonattainment and maintenance areas: projects in first 2 years are restricted ones where funds are available or committed. In the plan, the standard is reasonable available. The guidance discusses this in more detail. The planning regulations discuss the requirements for both the TIP and plan. For TIPs - the information is typically subset of information with a financial plan for the long range plan. For interagency consultation- the financial plan should be available for discussion in interagency consultation.

The planning guideline was developed as a cooperative project between FHWA, FTA and Caltrans and the statewide programming group. It covers requirements (Federal and State) that related to financial planning and requirements and includes a checklist that can be used for both the TIP and plan. Also summarizes methodologies for long range financial forecasting. We're hoping to get some best practices examples in this TIP

review cycle for future updates of the guidance. The guidance is posted on the web site at: <http://www.fhwa.dot.gov/cadiv/pre/planningreq.htm>

Question from Mike Brady: What are the financial planning requirements for Isolated Rural areas since they don't have long range financial plans? *Answer:* FHWA concurred that future discussions will need to cover these areas.

Question: Do we program at the apportionment levels? What about prior year apportionment levels. *Answer:* Include the apportionment level for each year, not the obligation authority, however, prior year apportionments are not available. Note discussion on page 7 of the guidance document.

Discussion of State FSTIP - deadline is October of this year. Many activities are involved: one is the STIP development process through the CTC and it's components and the SHOPP program. The SHOPP program has been approved by the CTC (April 8) and distributed by Caltrans. The STIP is currently under development, public hearings are still underway. FHWA/FTA has agreed with Caltrans that regional programs that are consistent with the transportation commission fund estimates they should be approved if they meet all of the federal requirements. We will allow CTC to make some minor change. Agencies who's program changes by the CTC make need to make adjustments in their first amendments. Caltrans programming has provided the regions with information on the first three years of the states five year program. Regions can swap obligation authority amongst counties. The FSTIP is a three year program updated every two years. Programs from the program for the first two years are obligated – so additional capacity is available. Each year is available at the apportionment amounts - providing an additional 10% (typically obligation authority is approximately 90% of the apportionment levels).

Question: Has this been discussed at the RTPA meetings? *Answer:* Yes
Note that financial constraint can be an issue when a TIP is updated and financial information on the RTP is older.

- Lapse Q & A (see attachment - Tahoe Lapse Letter, dated April 30, 2004) - (Jean Mazur)
- We wanted to bring your attention to the fact that exempt transportation projects and approved TCMs can not go forward during a lapse unless they are included in an area's Interim TIP/Plan. The example letter to Tahoe lists what actions (e.g. research activities, safety projects, previously funded project phases) can move forward without an Interim TIP/Plan in place. Primary purpose of sharing the letter is to eliminate the confusion. The FHWA January 2002 conformity lapse guidance talks about advancing exempt and approved TCMs forward during a lapse, however at the back of the guidance it is clarified that an Interim TIP/Plan is required to advance these projects. When/if we get into lapses with areas, we can have further discussions regarding what is required to put together an Interim TIP/Plan.

Question: Do you need both an Interim TIP and Plan: *Answer:* We need a valid TIP and Plan, the guidance isn't specific on how Interim TIP/Plans are developed. (e.g. a previously conformity RTP might work) - we'd need to discuss the specifics of the area in interagency consultation.

Question: What are public consultation procedures: Answer: What ever you typically do for public consultation.

Question: How long of a lapse period requires development of an Interim TIP: Answer: It depends on the region.

Note: FHWA may be putting together a Question and Answer document on Lapses after the October documents. They would like folks to help chair a committee on the document. We will address this at the next Statewide Conformity Meeting.

- Air Quality Exempt Codes - (Steve Luxenberg) - FHWA would like areas to include the air quality exempt codes from the conformity rule (also in CTIPs) in Plan and TIP updates. While not required by the conformity or planning regulations, inclusion of these air quality exempt codes would make FHWA and EPA's review both easier and faster. SCAG's project listings are one example that folks can review. FHWA also clarified that if a project contains multiple elements and one of the elements is not exempt, the project should be identified as a non-exempt project.

Caltrans Update - Mike Brady

- State Budget Update - No firm information yet, Mike tends to get updates from the legislative analyst web site.
- Statewide Conformity Web Page - Caltrans wants to get a sense if there is interest in development of a statewide conformity web page. The page could be a placeholder for agendas for upcoming meetings and handouts - which tend to be available on a sporadic basis. We wouldn't be able to archive past meeting, only one meeting at a time. There was general support for the idea.

ARB Updates (Dennis Wade)

- CO Plan update : The CO Maintenance plan will be presented to the ARB board at the July 2004 meeting (since the June meeting will be in South Coast, which isn't included in this plan). The plan will be released for review in mid-June at least 30 days before the hearing. Adopted in July and submitted shortly after to EPA, this shouldn't be a problem for the current TIPs since EPA adequacy won't occur until November.
- PM2.5 recommendations: The recommendations were included as a handout. The recommendations were based on 2001/03 data, however many areas did not have complete data. If you are looking at the data and wondering what happened to specific areas, the area probably didn't have complete data.
 - EPA's 120 day letters will go out by the end of June. Replies are requested in 60 day, Designations are expected by mid-November

Question: Calexico area was mentioned as an area in a previous presentation, but Imperial hasn't been included. Answer: Based on the current data, Imperial is in attainment.

Question: For San Diego - the area was only classified for the annual average standard. Could you explain the difference between the 24 and annual average design value. Answer: The standards are based on different averaging period. You will be designated as nonattainment for only one standard - and would only need to model attainment for that one standard.

Question: When will the data become complete and will you be sending out more information: *Answer:* We will notify the areas when the data is complete.

U.S. EPA Updates

- 8-hour Ozone Designations and Implementation Rule – (David Jesson) : April 30th - published the designations and classifications notice, effective June 15 - tied to end of grace period for conformity and revocation of 1 hour standard on June 15, 2005. Areas (only subpart 2 areas) can bump up or down if they notify EPA within 30 days of the effective date of the designations. At this time we have not gotten any interest from California agencies. EPA can also decide that an area should be bumped up or down without interest from the specific agencies.

The classifications are the same categories as was used in the 1990 classifications except the subpart 1 classifications. Attainment date of 2009 with an option to 2014 extension. The region 9 web site includes a map showing classifications. Nationally, California is the only state with any areas classified as Serious or Above. For example, Houston is a moderate area with a 2010 attainment date, Atlanta is a marginal area. We expect that with regional strategies, the areas won't have to do too many local controls. Phase 1 implementation guidance addresses anti-backsliding and revocation. The requirements for RFP, base year, milestone years, modeling, New Source Review, etc will be in the Phase 2 rule implementation rule. Tentatively scheduled for August 2004. General conformity has also not been addressed yet.

Speculation on conformity rule revisions. - Transportation conformity rule will be signed on June 14. It's unclear when the General Conformity rule will be released.

Question: are there any short summaries of the rule? *Answer:* A presentation was given to CAPCOA last week - we can send that presentation out with the notes for the meeting.

Question: When will revocation occur: *Answer:* One year after the effective date, eg. June 15, 2005.

Question: When will the new CMAQ \$ be released? What will be needed by June?

Answer: The federal fiscal year apportionments happen in October. So the apportionments won't happen until the October following the designations. (Assuming reauthorization occurs and the apportionment formulas are revised to include areas designated under the 8-hour standard). Conformity to the 8 hour standard needs to occur by June 15, 2005. Most areas in California will be using their 1 hour attainment budgets to do conformity for the 8 hour standard. EPA/FHWA will be doing trainings in August: in Los Angeles and 4-5 in San Francisco.

Question: Given the 1 hour rule for General Conformity, what changes are expected?

Answer: We can't say too much yet, but one interesting issue is how quickly the areas will be able to transition since in most cases, classifications are low for the 8 hour standard, therefore the applicability levels will increase significantly, so less projects will be included in General Conformity.

Question: Issues for South Coast? *Answer:* The first thing to think about is what the new baseyear inventory will be and if areas build in future projects in that inventory. 2002

inventory will include only actual emissions, therefore no opportunity to dialog on projected future year inventories will have future federal projects until 2006 or 2007. The first installment of the RFP plan may be due in June of 2006 - that's the first place we'll see the implications of the new General Conformity levels on SIPs.

Question (to ARB): Will ARB be putting together a schedule for the 8 hour SIPs?

Answer: There are many discussions starting now between ARB and the local districts until 2007, when the SIPs are due. You can rest assured that the areas will be prepared regarding the time requirements. *Dave:* Areas should consider combining the ozone plans with PM2.5 plans which will be due 6 months later.

Question: Will the guidance and trainings include Conformity SIPs? *Answer:* yes. There will be a guidance document on conformity SIPs.

Question: For the South Coast, 2014 seems like an optimistic date for attainment of the PM2.5 standard. Are there any future actions expected which would change the classifications to subpart 2 so that the dates can be extended? *Answer:* Not aware of anything like that being considered. All areas will be under subpart 2 effectively. Yet areas will have the 5 and 10 year deadlines for attainment. HQ is realizing that we have extreme problems out here that future federal regulations could help. We have the only 24 hour PM2.5 violating areas in the country. A coarse PM standard will be coming out - which will be more stringent - bringing more areas into nonattainment. We may need to work on some CAA amendments to change the designation structure. The schedule for the PM coarse standard would be perhaps at the end of 2005. The areas that will be nonattainment for it are mostly already nonattainment for PM2.5. There shouldn't be a mandate to move to the new standard any sooner than 3 years from the effective date of the designations. The schedule for the PM2.5 implementation rule (proposal) is summer 2005 (perhaps July).

Question: Reentrained dust overestimation has been a constant problem, could the air districts address this issue with EPA? *Answer:* EPA did ask for comment on this issue and got very few comments. We will be releasing some additional notices on PM2.5 - another opportunity for comment. EPA (OAQPS) is doing research on the issue and ways to adjust emissions for PM2.5.

- Recent U.S. EPA Actions (Adequacy, plan approvals) (Karina O'Connor)
 - SJV Valley PM10 plan: Final Approval (with trading mechanism) published 5/26/04 (proposal published on February 4th)-included the trading mechanism for the area.
 - SJV Ozone reclassification to extreme - proposed on February 23rd, final on April 16, effective on May 17.
 - South Coast Attainment Plan: Adequacy Finding - letter signed March 11, published 3/25, effective April 9.
 - Coachella Valley PM10 Plan: Adequacy Finding - letter signed March 11, published 3/25, effective April 9.
 - SE Desert Ozone Attainment Plan: Adequacy Finding - notice signed May 21, published May 28th, effective June 14th.

- Ventura Ozone Attainment Plan: Adequacy Finding - notice signed May 21, published May 28th, effective June 14th.
- East Kern Maintenance Plan: Approval -Direct final was published on April 22, no comments so effective on June 21.
- Bay Area Attainment Finding - Final rule was published on April 22 (included approval of 2006 budgets).
- Clean Diesel Rule (attachment- Fact Sheet - Clean Air Nonroad Diesel Rule) - the rule was signed on , published on , more information is available at:
- MOBILE6.2 release: Includes approval of AP-42 as the official model for use in estimating PM fugitive emissions. Alternative models must be approved by EPA in a SIP approval before they can be used in conformity analyses. FR notice published on May 19th. See the SJV PM10 plan approval for an example.
- Amendments to Conformity Rule : Expect the Rule to be signed in mid-June (14)- it will be up on the web as soon as signed, once published, additional guidance material on Complex areas and Conformity SIPs will also be posted.
- Conformity Training: The EPA/OTAQ training workshop will be on August 4-5 in San Francisco at the EPA offices. This training session is designed for people who are or will be implementing conformity for the new ozone and fine particulate matter (PM2.5) standards, such as state and local transportation and air quality planners. Others interested in conformity may also attend as space permits. To be covered at the training:
 - How does transportation conformity apply to areas designated for the new 8-hour ozone and fine particulate matter (PM2.5) standards?
 - When is conformity required for the first time under the new standards?
 - Do areas continue conformity for the 1-hour ozone standard?
 - What regional emissions tests will 8-hour ozone and PM2.5 areas use for conformity?
 - How is conformity implemented in multi-jurisdictional areas?
 - EPA's adequacy process for motor vehicle emissions budgets in submitted SIPs
- **To register:** Please contact Karina O'Connor at oconnor.karina@epa.gov
- TCM Substitution Mechanism Guidance (see power point presentation: EPA TCM Sub Guidance.ppt): The presentation discussed the EPA policy guidance on TCM substitution, included in a memo dated April 7, 2004. Why do we care - we often need to substitute TCMs where they are delayed to meet the conformity rule's timely implementation requirements. This guidance addresses those needs. Highpoints: an area's TCM substitution mechanism must be approved by EPA before it can be used. The standard requirements for SIP submissions are still there, under the policy, only the EPA comment period will not apply to substitutions under the mechanism. Only regulatory TCMs can be used to replace TCMs. The major steps in a substitution include:
 - Interagency consultation
 - Public participation and comment
 - State and local agency concurrence
 - EPA concurrence (formal letter)
 - State or Local Agency Adoption and Rescind original TCM (effective date of substitution)
 - EPA modification to CFR.

The policy summarizes the major elements to be included in the TCM substitution mechanism. Included are the framework for how the substitution is documented and what process steps, including consultation, will occur.

Status of Transportation and Air Quality Planning in California

- **Air Quality Plans (Sacramento, Bay Area, SJV):**
Sacramento: ARB has written a letter to OTAQ asking for early use of 8 hour RFP budgets. *Bay Area:* The area is working on a 1-hour ozone strategies document which should be completed by the end of summer. The document should include new budgets a combined ozone redesignation document, a maintenance plan and the State CAP. The draft will be submitted at the end of the summer.
SJV: Since the Valley is now an Extreme ozone area, it is working on a new attainment plan but also considering its options under the 8 hour implementation rule. The 30 day public comment period should start in July - the plan is due to EPA in November.

- **Regional Transportation Plans and Programs update (All)**
 - *SCAG:* 2004 RTP is waiting approval by Federal agencies. Plan is to have a draft TIP ready by June 18th for Board approval in August.
 - *Santa Barbara:* This summer they are working on a draft TIP/RTP. It might be the area's last conformity determination since they will be attainment for the 8 hour standard. They will no longer have to do conformity or timely implementation for TCMs.
 - *San Diego:* 2004 -2030 RTP will include conformity to their new 1 hour ozone maintenance budgets. The plan is to adopt by July 28th.
 - *Tahoe:* The draft RTP is close to completion, are hoping to release the plan by June 9th and adopt by July/August
 - *SJV:* Everyone in Valley doing 2004 TIP and 2004 RTP to meet Caltrans and FHWA schedules. There are some delays in the schedule, but we should still be able to meeting the deadlines. Noted the clarification regarding all areas being in conformity before any individual area can update their plans.
 - *Sacramento:* Planning on extending the TIP based on previous emissions analysis, the major issue is if the area can show financial constraint.
 - *Bay Area:* Draft 2005 TIP recently released with conformity analysis, there will be a 45 day public review period. June 9 - public hearing on the TIP and conformity analysis. July 28 - commission approval. On August 1 - the documents will be send to Caltrans and the federal agencies. Development of the 2030 RTP will not occur until February 2005, with commission approval in February 2005.

Information sharing

MTC on TCM2 ruling

Request for updated matrix of SIPs/RTPs

Next Meeting - October 21 in Sacramento