



Control of Emissions from Motor Vehicles

Held on January 27th, 2017 at 10:00 a.m.

by Videoconference **from the** Nevada Division of Environmental Protection

4th Floor Great Basin Conference Room

901 South Stewart Street

Caron City, NV 89701

to the Nevada Division of Environmental Protection

Red Rock Room

2030 East Flamingo Road

Las Vegas, NV 89119

These minutes are prepared in compliance with NRS 247.035. Text is in summarized rather than verbatim format. For complete contents, please refer to meeting tapes on file at the Nevada Department of Motor Vehicles.

**THIS MEETING WAS PROPERLY NOTICED AND POSTED IN THE FOLLOWING LOCATIONS ON
January 24th, 2017**

Department of Motor
Vehicles
555 Wright Way
Carson City, NV. 89711

Nevada State Library
100 N. Stewart St.
Carson City, NV. 89701

Department of Motor
Vehicles
305 Galletti Way
Reno, NV. 89512

Clark County Department
of Air Quality
Management
500 Grand Central Pkwy
Las Vegas, NV. 89106

Washoe County District
Health Department
1001 E. 9th St.
Reno, NV. 89512

Department of Motor
Vehicles Website
www.dmv.nv.gov

Department of Motor
Vehicles
2621 East Sahara Ave.
Las Vegas, NV. 89104

1. Call to Order by the Chairman

Chairman Daniel Inouye called the meeting of the Advisory Committee on Control of Emissions from Motor Vehicles to order at 10:03 am.

2. Roll Call

MEMBERS:	Representing	Present	Primary	Alternate	Voting
Al Leskys	CC/DAQEM	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rodney Langston	CC/DAQEM	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mike Sword	CC/DAQEM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Robert Tekniepe	CC/DAQEM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Shannon Rudolph	NDOA	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
William Striejewske	NDOA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Danilo Dragoni	NDEP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Joe Perreira	NDEP	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sig Jaunarajs	NDEP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Glenn Smith	DMV/CED	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Steve Mayfield	DMV/CED	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Robin Roques	DMV/CED	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mark Costa	NDOT	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sondra Rosenberg	NDOT	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Morgan Friend	DMV/CED	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Jeffrey Buss	U.S. EPA: Region 9	<input type="checkbox"/>		Ex Officio	
Julie Hunter	WC-AQMD	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Daniel Inouye-Chairman	WC -AQMD	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Charlene Albee	WC-AQMD	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Yann Ling Barnes	WC-AQMD	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

3. Public Introductions

INTERESTED PARTIES:

Representing:

Jessica Hernandez	DMV/CED
Rachel Phillips	DMV/CED
Faun Parks	DMV/CED
Diana Hollander	NV/DOE
Paul J. Enos	NV Trucking Association
Jason Hildebrand	NV Trucking Association
Peter Krueger	NV Emission Tester Council
Carl Dunn	DMV/CED
Marie Steele	NV Energy
Dave Eflross	West. Res. Advocates
Will Adler	Capital Partners
Joe Johnson	Sierra Club
Suzanne Moze	Member of the public
John Lidden	Southwest Air
Veronica Bradley	Airlines for America

4. Public Comments

A. No public comments.

5. Approval of Agenda Order

A. The agenda was approved by the committee in the order it was presented.

6. Approval of January 19, 2017 Meeting Minutes

A. The meeting minutes for the January 19, 2017 were deferred to the next scheduled I/M Committee meeting.

7. Establishment of a Sub-Committee to Develop Program Goals and Objectives for the Volkswagen Environmental Mitigation Trust

- A. Sig Jaunarajs (NDEP), briefly went over the presentation made at the last meeting regarding the Volkswagen Environmental Mitigation Trust agreement. The presentation is available on NDEP's website or by contacting Joe Perreira.

The presentation was given on how the trust was structured, how it will effect Nevada, and what the rolls of various entities will be in putting together a program. Essentially, Nevada expects to receive about \$25 million for the environmental Mitigation Trust portion of the overall agreement. That is money to be spent over a 10 year period on a specific list of projects that are eligible. Diesel vehicle replacement as well some zero emission vehicle infrastructure type projects.

NDEP is the agency that has been tagged by Governor Sandoval to administer this program on behalf of Nevada including setting up the grant program, taking applications, and distributing funding to eligible projects. The Governor has asked the I/M Committee to serve in an advisory capacity to help establish goals and objectives for Nevada's portion of the funding.

At the last I/M Committee meeting, the committee was asked to form a Sub-Committee to focus on the specific goals and objectives and work more in a work group capacity. However, under our state regulations any vehicle that is knowingly equipped with a "defeat device" cannot drive on the road or be registered by the DMV. Part of the agreement we would have to sign to get this funding from the trustee would be to continue to allow those affected vehicles to be on the road until such a time that they are removed from the road because VW is offering a buyback program, repaired with a device or software to lower the emissions to acceptable levels, or the owners choose to keep them in their current state. We would actually be violating regulation if we allowed this to happen. There have been some discussions held at DMV to find a way around this. The way around would be to have the Governor issue an emergency regulation or exempt these vehicles from the requirement.

- B. Morgan Friend (DMV/CED), that is correct. NDEP along with DMV met and had an in depth conversation in regards to amending the language to the NAC making an exception for these types of situations. The exact language that is being proposed is not available at this time, however it will be a solution so that we can move forward.
- C. Sig Jaunarajs (NDEP), the justification for the emergency regulation would be that the additional NOx emissions that these vehicles will create in the future are probably a lot fewer than the emission reductions we hope to achieve by instituting a program where there will be an emission benefits that could be realized by doing this.

NDEP would like to request of the I/M Committee to form a Sub-Committee to develop program goals and objectives and those program goals and objectives will help us to write a beneficiary mitigation plan. That is required by the trust agreement. It is essentially a plan on how we plan to implement funding projects that will meet certain objectives that the trust requires. There are specifically four required elements that we have to address in the mitigation plan:

- The overall goal for the use of the funds.
- The categories of eligible mitigation actions.
- Description of how the Beneficiary (State of Nevada) will consider the potential beneficial impact on air quality in those areas that bare a disproportionate share of air pollution burden in our state.
- General description of the expected ranges of emission benefits that the state will estimate could be realized by implementing our plan.

Ideally the Sub-Committee would help develop the plan, advisement on how to structure public comments and outreach, to get the message out to the public and to those entities who will provide low emission vehicle technologies that are eligible under the trust agreement.

D. Daniel Inouye (WC-AQMD), invites comments from the I/M Committee.

Danilo Dragoni (NDEP), the mitigation plan that they are going to develop is not binding. The reason why is because of the 10 year extension time and changes could occur within that timeframe. So, we want a working document rather than a binding document.

- **Q: Morgan Friend (DMV/CED)**, just to clarify, the Sub-Committee that will be created will be acting in an advisory capacity, correct?
- **A: Sig Jaunarajs (NDEP)**, it will come up with recommendations for the full committee, then the full committee, as an advisory committee would hopefully adopt those recommendations as an advisement to our agency.
- **Q: Mark Costa (NDOT)**, just want to clarify, we have 90 days to submit our plan once we have been declared a beneficiary state? Have we been declared a beneficiary state?
- **A: Sig Jaunarajs (NDEP)**: That is correct. We have not yet applied. We are basically waiting for the court to act. The court establishes a trustee and then approves the trust. We will then need to apply and will have 60 days to apply for beneficiary status. We need to be prepared.
- **A: Danilo Dragoni (NDEP)**, the 60 days is to apply for beneficiary status which is a formality, it is documentation that we must send to the trustee. Once we submit the beneficiary request the trustee has 120 days from the trust effective date to respond. Response time is unknown. They could respond the next day or take the whole 120 days. We are expecting early summer or fall to present the mitigation plan.
- **Q: Mark Costa (NDOT)**, from looking at the presentation from EPA. Would the Sub-Committee decide on the eligible mitigation projects or the DERA options?
- **A: Sig Jaunarajs (NDEP)**, the 10 types of projects are what is eligible under the trust agreement. When looking at the DERA option it opens the door for a few other options. For example the non-road diesel equipment and emergency generators are not allowed unless you use the DERA option. It would be up to NDEP to determine which projects are eligible and which projects meet the objectives we lay out in the plan. The Sub-Committee will need to come up with some criteria which will grade the projects in terms of how well they meet our objectives.

- E. Sig Jaunarajs (NDEP), in terms of membership, it is being proposed that the air quality agencies be members of the Sub-Committee, DMV, and State Transportation Department. It is being recommended that one representative from each agency be appointed to the Sub-Committee. Open Meeting Law will be a requirement. It is not necessary that the representative of the government agencies for the Sub-Committee be a member of the I/M committee. Any representative who is available and would benefit the Sub-Committee in terms of technical knowledge, who is not actually a sitting member is welcomed.

The public will be invited to participate, but not as part of the committee and public comment will included in the process.

- F. Daniel Inouye (WC-AQMD), invited comments from the public:

- **Q: Peter Krueger (NV Emission Testers Council)**, so there is no interest in including a member or two from the public in the Sub-Committee?
- **A: Daniel Inouye (WC -AQMD)**, correct, but your comments will be included in the process through public comment within the open meeting law. The invitation is extended to industry.
- Paul Enos (NV Trucking), appreciates that the public will be invited to participate. Is concerned with developing a program that makes some of the resources available to get the highest polluting vehicles off the road. There are many big companies that can take advantage of the program but there are still a lot of pre-2006 vehicles on the road which are producing more pollution and may not be as well maintained as new vehicles. We want to be involved in developing the criteria and see benefits be spread throughout the entire industry and having the money go as far as we can make it.
- Will Adler (Capital Partners), discussed making this a flexible plan in multiple funding scenarios. Both GM and Fiat have come out and are talking about emission problems. This plan needs to be detract able or expandable depending on the outcomes.
- Peter Krueger (NV Emission Testers Council), wrote a letter on behalf of the Emission Testers Council to Sig Jaunarajs suggesting an all-wheel drive Dyno. The state of Nevada has only one at this time and it's a privately owned all-wheel drive Dyno. The Nevada Emission Testers Council wants to make sure there's funding and to look into a grant program for the emission stations in Washoe County. The New Clark County Facility installed a Dyno, but it's not all-wheel drive. The all-wheel drive numbers in Washoe will be higher than southern Nevada and so we feel that an important piece of criteria for the new facility in Washoe County will be an all-wheel Dyno, at a cost of about \$150,000. So, two projects to be considered would be to change out the existing Dyno in Clark County and provide a new all-wheel Dyno in Washoe County. Also, some form of grant program for the emission stations to participate in a low interest loan program to help buy and reduce the cost for Dynos for emission testing.
- Glenn Smith (DMV/CED), regarding the all-wheel Dyno, we may want to wait for legislature because in AB146, it was pointed out that during testing light duty diesels,

there is room for improvement. One of the improvements would be OBD testing. If we went to OBD testing, those all-wheel Dynos would be obsolete.

- Dave Eflross (Western Resource Advocates), interested in seeing that some of the funds be invested in infrastructure for electric and zero-emission vehicles.
- Marie Steele (NV Energy), interested in emission reductions and partnering with the state to push for zero emission vehicles and complying with NAC 486A.
- Diana Hollander (NV/DOE), supervising over school buses and wants to offer assistance.
- Joe Johnson, interested in the process.
- Veronica Bradley (Airlines for America), focus on on-road vehicles, but larger airlines are dealing with ground support equipment and they are trying to make cost effective changes to airport equipment in Nevada.

G. Sig Jaunarajs (NDEP), made a motion to establish the discussed Sub-Committee to develop Program Goals and Objectives for the Volkswagen Environmental Mitigation Trust. The Sub-Committee will consist of one representative from each NDEP, DMV, WC/AQMD, CC/DAQEM, and NDOT and that that member be designated by the agency.

Danilo Dragoni (NDEP), seconded the motion. The motion was passed.

Sig Jaunarajs (NDEP), regarding the expectations of the Sub-Committee and the I/M Committee suggested meeting once a month, starting in February, and see how things go. Anticipating a minimum of 3 meetings. Suggested presenting recommendations to the I/M committee in April's meeting or at the Chairman's discretion, we may have a special meeting if the timing is necessary.

- **Q: Daniel Inouye (WC -AQMD)**, is there something that is final deliverable from the Sub-Committee and the I/M Committee that goes to the Office of Energy or to the Government? Is there a Deadline for that?
- **A: Sig Jaunarajs (NDEP)**, No. There is no deliverable date to either of those offices. The Sub-Committee is just to serve as the advisory committee.
- **Q: Peter Krueger (NV Emission Testers Council)**, who, ultimately will make the decision?
- **A: Sig Jaunarajs (NDEP)**, the recommendations will go into a plan, we as an agency will have to come up with criteria, the different projects will be graded and as an agency we will decide who gets funded. The trust will be funded over time. The money will not all be there all at once.

8. Informational Item{s}

A. Joseph Perreira (NDEP), discussed the settlement trust for Electrify America, wanted to remind the committee of the date that Volkswagen would be announcing the project that they would be selecting in the first funding round, it will be February 22. There are separate portions of funds.

If you are going to be involved as a member of the Sub-Committee or a member of the public, please read Appendix D from the trust, so that you understand what can be funded and that way everyone is on the same page.

- B. Marie Steele (NV Energy), discussed the big goals for states proposed and explained them at a high level.
- The first goal is the corridor development that was highlighted as 15 & 80, there's been an interregional agreement with Utah, Colorado, and California, those being the arterial.
 - The second goal is education and outreach program, that was specifically looking for iconic ideas that was highlighted around the strip and McCarran airport having the airline on there, to reach the millions of people that come here.
 - The third goal includes public changing infrastructure, rebates for multi-families.

9. Public Comments:

No Public Comments

10. Next Meeting and Adjournment

- A. The first I/M Sub-Committee meeting is set for Wednesday, February 8th at 1:30 pm at locations to be determined.
- B. The I/M meetings for the rest of 2017 are set as follows: April 11th at 1:30 pm. July 11th at 1:30 pm. And October 10th at 1:30 pm. The rooms will be decided on at a later date.
- C. Daniel would like to include a Sub-Committee update on the Agenda for the April 11th I/M Committee meeting.
- D. The meeting adjourned at 10:56 am.