

# Compendium of Budget Information for the 2014 General Session

## Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee

### Agency: Environmental Quality

### Line Item: Air Quality

#### *Function*

The mission of the Division of Air Quality is to achieve and maintain levels of air quality that protect public health, property, and vegetation in Utah from the effects of air pollution. In order to accomplish its mission, this division is divided into the following three branches: (1) Compliance Branch, (2) Permitting Branch, and (3) Planning Branch. A brief description of each section within the three branches follows:

#### Compliance Branch

*Major Source Compliance Section:*

*Minor Source Compliance Section:*

*Air Toxics, Lead-Based Paint, Asbestos, and Small Business Environmental Assistance Program Section (ATLAS):*

#### Permitting Branch

*Major and Minor New Source Review Sections:*

*Operating Permit Section:*

#### Planning Branch

This branch is responsible for the development and maintenance of the State Implementation Plan (SIP) for the control of carbon monoxide, ozone, sulfur oxides, and particulate matter.

*Air Monitoring Section:*

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Technical Analysis Section:

Mobile Sources Section:

The Air Quality Division is responsible to measure air quality as outlined by the federal air quality health standards. Recently, the division monitored violations of the particulate matter due to changes to the National Ambient Air Quality Standard (NAAQS). The division is completing the four-year process to develop a new plan to bring the areas within Utah that are violating the NAAQS back into attainment.

Recent air monitoring for ozone in the Uintah Basin has identified concerns with the levels measured during the winter months. The division led efforts to understand the chemistry and processes that result in elevated levels associated with oil and gas producing basins. In 2012, Duchesne and Uintah counties were accepted into EPA's Ozone Advance program. Work is underway with the counties and producers to proactively identify reasonable strategies to reduce the ozone levels. Monitoring stations were established in Roosevelt and Vernal to provide air quality forecasting and current conditions for public health notifications.

Uintah Basin Winter Ozone Study

The multi-year study, beginning in winter 2012, was led by UDEQ/DAQ with partners including the National Oceanic and Atmospheric Administration, Environmental Protection Agency, Bureau of Land Management, Utah State University, University of Colorado, Western Energy Alliance, Ute Indian Tribe, Duchesne and Uintah County, Tri- County Health Department, and the Uintah Impact Mitigation Special Service District. Total contributions to the study are over \$5 million dollars in funding and in-kind participation.

Important 2012 findings relate to snow cover and temperature inversions as key elements of high ozone episodes. Oil and gas operations were determined to be responsible for 98 to 99 percent of volatile organic compound (VOC) emissions and 57 to 61 percent of nitrogen oxide (NOx) emissions that serve as precursors to ozone formation. The study team's current best estimate is that VOC controls will reduce ozone, but the effectiveness of this strategy is unknown and that voluntary emission reductions may be a cost effective way to reduce peak ozone concentrations when snow cover and temperature inversions occur.

The Utah Clean Diesel Program

The Utah Clean Diesel program is a clean air initiative that started in 2008. It has been a successful collaboration between state and federal agencies, county and municipal governments, community and non-profit organizations, and industry groups. Over \$6.5 million in state and federal grants have helped 61 small businesses, 31 school districts, and two government entities purchase cleaner and more fuel efficient equipment for their operations.

The following projects have been completed to date:

- 2008: The Clean Diesel School Bus Project retrofitted over 1,200 diesel-powered school buses throughout the State with emission control devices that are aimed to protect children and operators from harmful air pollutants emitted by the school bus's diesel engine. This project also replaced 27 older buses with new buses that meet a more stringent set of emissions standards.

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- 2009: The Clean Diesel Trucking Project installed Auxiliary Power Units (APU) on 52 long-haul trucks. These units reduce fuel consumption and diesel emissions by providing climate control and electrical power for the truck's sleeper cab and engine block heater during the driver's downtime. These devices use 80 to 90 percent less fuel than the truck's main engine.
  - 2009: The Clean Diesel Agriculture Project installed APUs on 32 trucks that support farm-based activities. This project also provided partial funding to repower and replace 31 pieces of diesel-powered agriculture equipment with cleaner, more fuel efficient machinery.
  - 2010: Funding was provided to the City of North Salt Lake for repowering five city maintenance vehicles that are used as snow plows during the inversion season. These vehicles were converted from older, diesel engines to newer, compressed natural gas engines.
  - 2011: Twenty-three small businesses and one school district were awarded funds to retrofit or replace equipment with upgraded technologies that meet higher emissions standards. Large construction and agriculture equipment were replaced with new, an old box truck used to transport fruit to farmers' markets along the Wasatch Front was repowered with a cleaner engine, long-haul trucks were retrofitted with idle-reduction and exhaust control technologies, and school buses were retrofitted with engine pre-heaters that help reduce idle time.
  - 2012: Twenty-four state maintenance trucks used as snow plows were retrofitted with exhaust control devices, and a 1998 diesel shuttle bus that operates at Utah State University was replaced with a 2013 Compressed Natural Gas shuttle bus.

The alliances that have been developed to make these projects successful are a demonstration of the commitment being made to help alleviate the unique air quality challenges we face in Utah and encourage energy- and emission-reduction options that support economic development for small businesses.

### ***Intent Language***

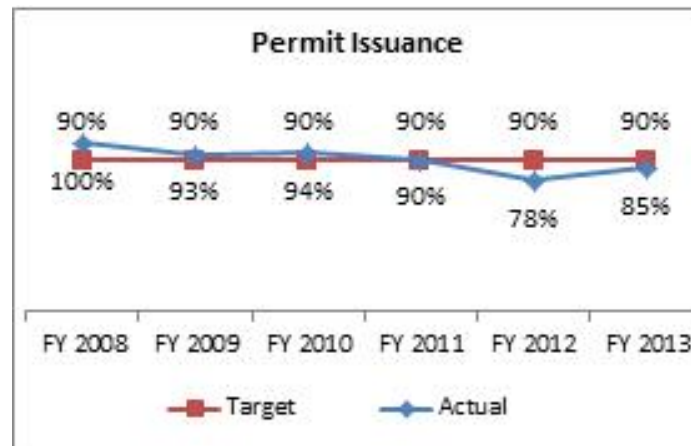
*Under the terms of 63J-1-603 of the Utah Code, the Legislature intends that appropriations provided for Division of Air Quality in Item 20, Chapter 6, Laws of Utah 2012, shall not lapse at the close of FY 2013. Expenditures of these funds are limited to reducing future operating permit fees \$100,000.*

### ***Performance***

The number of air sheds in metropolitan statistical areas (MSAs) representing the state's population centers that meet all federal air quality standards annually. St. George, Provo-Orem, Salt Lake, Ogden-Clearfield, and Logan are the targeted MSA air sheds in the state. The EPA revised the standard for PM2.5 in 2006. Utah is developing a plan to bring four air sheds back into compliance by 2019.



UCA code 19-2-108 requires the director of the Division of Air Quality to issue permits with 180 days. However, the Governor's Balanced Scorecard goal was changed from 120 days to 110 days following a process improvement evaluation in 2011.



Routine compliance inspections are targeted based on an annual compliance monitoring strategy (CMS). This measure ensures that scheduled inspections are performed as assigned.



In addition to the key performance measures listed above, the division reported the following performances measures for FY 2013:

- operated an ambient air monitoring network, providing pollution information for daily air quality status from 25 air monitoring locations;
- developed State Implementation Plans to bring three areas back into compliance with national ambient air quality standards; and,
- reviewed and issued air permits for 450 new or modifying sources.

### Funding Detail

For more detail about a particular source of finance or organizational unit, click a linked entry in the left column of the table(s) below.

Sources of Finance	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
General Fund	\$3,750,800	\$3,818,200	\$0	\$3,818,200	\$976,200	\$4,794,400
General Fund, One-time	\$49,500	\$47,000	\$8,800	\$55,800	\$2,311,900	\$2,367,700
Federal Funds	\$3,662,600	\$4,017,600	\$1,945,400	\$5,963,000	(\$1,492,700)	\$4,470,300
Dedicated Credits Revenue	\$5,256,600	\$5,053,600	(\$565,500)	\$4,488,100	\$338,900	\$4,827,000
Clean Fuel Conversion Fund	\$110,400	\$111,000	\$100	\$111,100	\$1,500	\$112,600
Transfers	\$58,200	\$0	\$0	\$0	\$0	\$0
Transfers - Within Agency	(\$883,000)	(\$806,600)	(\$84,200)	(\$890,800)	\$0	(\$890,800)

Beginning Nonlapsing	\$0	\$0	\$0	\$0	\$0	\$0
Closing Nonlapsing	\$0	\$0	\$0	\$0	\$0	\$0
Lapsing Balance	(\$75,600)	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$11,929,500</b>	<b>\$12,240,800</b>	<b>\$1,304,600</b>	<b>\$13,545,400</b>	<b>\$2,135,800</b>	<b>\$15,681,200</b>

Programs	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Air Quality	\$11,929,500	\$12,240,800	\$1,304,600	\$13,545,400	\$2,135,800	\$15,681,200
<b>Total</b>	<b>\$11,929,500</b>	<b>\$12,240,800</b>	<b>\$1,304,600</b>	<b>\$13,545,400</b>	<b>\$2,135,800</b>	<b>\$15,681,200</b>

Categories of Expenditure	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Personnel Services	\$7,685,600	\$9,632,900	(\$429,400)	\$9,203,500	\$764,100	\$9,967,600
In-state Travel	\$25,000	\$31,400	(\$6,000)	\$25,400	\$0	\$25,400
Out-of-state Travel	\$35,000	\$46,500	\$0	\$46,500	\$0	\$46,500
Current Expense	\$1,585,300	\$1,380,000	\$969,300	\$2,349,300	\$2,149,500	\$4,498,800
DP Current Expense	\$589,600	\$737,800	(\$73,700)	\$664,100	(\$57,200)	\$606,900
DP Capital Outlay	\$0	\$0	\$270,000	\$270,000	(\$120,000)	\$150,000
Capital Outlay	\$399,500	\$350,000	\$184,000	\$534,000	(\$184,000)	\$350,000
Other Charges/Pass Thru	\$273,600	\$62,200	\$390,400	\$452,600	(\$416,600)	\$36,000
Cost Accounts	\$1,335,900	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$11,929,500</b>	<b>\$12,240,800</b>	<b>\$1,304,600</b>	<b>\$13,545,400</b>	<b>\$2,135,800</b>	<b>\$15,681,200</b>

Other Indicators	2013 Actual	2014 Approp	2014 Change	2014 Revised	2015 Change	2015 Approp
Budgeted FTE	98	99	0	99	4	103

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Actual FTE	97	0	0	0	0	0
Vehicles	10	10	0	10	0	10

COBI contains unaudited data as presented to the Legislature by state agencies at the time of publication. For audited financial data see the State of Utah's Comprehensive Annual Financial Reports.