

Final Minutes



Ambient Monitoring Strategic Planning Team Meeting #38

Date: Wednesday, June 18, 2008

Time: 10:00 am to 3:30 pm

Place: ConocoPhillips, Calgary

In attendance:

Name	Stakeholder group
Kerra Chomlak	CASA
Bob Myrick	Alberta Environment
Ian Peace	Residents for Accountability in Power Industry Development
Roxanne Pettipas	ConocoPhillips/ CAPP
Krista Phillips	CAPP
Kim Sanderson	CASA
David Spink	Prairie Acid Rain Coalition
Merry Turtiak	Alberta Health and Wellness
Kevin Warren	Parkland Airshed Management Zone

Guests:

Randy Angle, Alberta Environment

Tom Dixon, Alberta Environment

With regrets:

Name	Stakeholder group
Keith Murray	Alberta Forest Products Association
Ken Omotani/ Angela Ball	TransAlta Corporation
Chris Severson-Baker	Pembina Institute
Brian Wiens	Environment Canada
Mike Zemanek	Alberta Health and Wellness

Action Items:

Action items	Who	Due Date
33.9: Team representatives will brief the new Deputy Minister about informing the minister about the AMSP and funding.	TBA	August
37.9: Kerra will email the current budget to the team.	Kerra	July
38.1: Bob will report back to this team on what the proposed CFO monitoring network might look like and any potential implications for the AMSP team.	Bob Myrick	July
38.2: Merry and Mike will champion with the CAS team the idea of ambient monitoring being an important part of the CAS, and that the CAS is an opportunity to secure support for long-term funding for monitoring.	Merry Turtiak, Mike Zemanek	ongoing
38.3: Kerra will confirm if Mike Pawlicki is still an alternate on the	Kerra Chomlak	July

Action items	Who	Due Date
team.		
38.4: Kerra will check with urban and rural municipal board members about how they want to participate with this team.	Kerra Chomlak	July
38.5: Bob will provide additional details behind the numbers in the pie chart, and better define the stations that are included in each section.	Bob Myrick	July meeting
38.6: The team will develop clear language for the key definitions of the types of monitoring e.g. fenceline.	Kerra	July
38.7: Bob will forward the GOA's policy development process to the team.	Bob Myrick	July
38.8: The Costs Subgroup will work up the costs and descriptions for the various scenarios	Cost Subgroup	July
38.9: Team members will review the Cape report to test if anything has changed since the last draft. Comments will be provided to Kerra and Bob by email and any outstanding issues will be discussed at the next meeting.	Team Members	July
38.10: Bob will put the Cape report through the AENV release process and ensure it is clearly marked "draft."	Bob Myrick	July
38.11: Bob will go through the November draft of the report and make all the revisions he feels are needed to update the document based on recent discussions.	Bob Myrick	July
38.12: Kerra will poll for: a) a meeting date for the Cost Subgroup, b) a team meeting date in July and August, and c) a date for a September retreat.	Kerra Chomlak	July

Ian Peace convened the meeting at 10:20 am and reviewed the meeting objectives. Ian advised the team of the recent death of David McCoy, who was an original member of the AMSP team. Members briefly shared their memories of David, whose wit, candour and insights everyone agreed will be greatly missed.

1 Administration

a. Approve agenda and meeting purpose

Ian reviewed the agenda and meeting purpose. The team agreed to add the following items to the agenda:

- Discussion related to the workshop results and AENV comments regarding the recommendations.
- Review of current membership list.
- Date for the next meeting.
- Release of the Neil Cape report.

b. Approve minutes from Meeting #37 (April 17).

Action items should be from meeting #36. With this edit, the minutes were approved as circulated.

c. Review action items from Meeting #37

Action items	Status
33.9: The co-chairs will brief the new Deputy Minister about informing the minister about the AMSP and funding.	This will be done during the month before the report to the CASA board. Bob advised there is some concern about whether the team will have consensus on funding and other recommendations.
37.1: Bob will take back wording for the new recommendation to AENV plus the revised principle wording and come back with revised alternative wording that is acceptable to AENV. He will advise the team by April 24 whether a call or meeting with AENV is needed.	Bob advised that the proposed changes to the principles and the new recommendation are not acceptable to AENV. Randy Angle and Tom Dixon will participate later in the meeting.
37.2: Bob will circulate information to the team on mechanisms being used or considered to fund work on groundwater and air monitoring.	See agenda item 2
37.3 Bob will test whether AENV would be open to having a multi-stakeholder group involved in developing a long-term funding mechanism for the diffuse and small industrial emitters.	Done. Discussed later in the meeting with Tom and Randy.
37.4: Bob will provide information on the links between the AMSP team and the CAS team with respect to potential recommendations regarding funding of air monitoring.	Done; was discussed later in the meeting.
37.5: Bob will compile cost estimates for covering diffuse anthropogenic emissions across the province.	Done. Cost estimates are split out by industry and government, but we want it broken down by industry sector. The team still needs to disaggregate some of the data by industry sector.
37.6: A small group comprising Bob Myrick, David Spink, Kevin Warren and Krista Phillips will assess costs for the existing portion of the proposed provincial monitoring system to determine who is now contributing, how much, and how this contribution might change with the enhanced network. This assessment will be for both annual operations and capital costs and will be done by CAC sector, including residential, and by airshed zone to the extent possible.	Done. The Subgroup will meet again to do further work as requested at this meeting.
37.7: Kerra will set up a meeting of the Cost Subgroup prior to the next team meeting.	Done
37.8: Kevin will contact the airshed zones to request information on the amount of revenue they get from each sector.	Done
37.9: Kerra will email the current budget to the team.	Carry forward
37.10: Kerra will poll for a team meeting after the Cost Subgroup sets their meeting date.	Done

d. CASA Update

Kerra noted that CASA had received some media attention earlier this month with respect to two reports provided by AENV to CASA. These draft reports were intended to be used as working information for the Clean Air Strategy team and not be distributed beyond the team, but a misunderstanding led to their posting on the CASA website. Normally, CASA does not

post materials until they have been approved by the team, and now all postings must also be approved by the Executive Director. References made to the Cape report by the journalist were brief and accurately reflected the report's content.

Confined Feeding Operations (CFOs): Alberta Agriculture, AENV and the NRCB are implementing the CFO team's recommendations, one of which relates to monitoring of NH₃, PM and H₂S around CFOs. A monitoring plan is being developed in consultation with stakeholders, and Bob is involved. A challenge is to do a program with a reasonable budget that can still give statistically significant data. A program should be designed by August and implemented by fall. Portables may be used to monitor upwind and downwind of selected CFOs. Passives may be used to get more data. Kevin was asked to provide some information about siting of monitors, pricing, and other details because PAMZ and PASZA have monitored near CFOs.

Action 38.1: Bob will report back to this team on what the proposed CFO monitoring network might look like and any potential implications for the AMSP team.

AAQO: The Alberta Ambient Air Quality Objective-setting group asked AENV to send a statement of opportunity to CASA, noting that the province would benefit from having an odour management framework. Initial reports are that AENV accepted this recommendation, but it is unclear whether they will commit to doing a statement of opportunity.

Clean Air Strategy (CAS): Public consultations will occur in the fall. The team has identified four strategic directions: Governance, Regional Planning, Knowledge and Information, and Pollution Prevention. The CAS work is at a very high level, while the AMSP is much more detailed. The link is that when the CAS is approved by CASA and accepted by the GOA, it will require long term funding. There may be an opportunity to include ambient monitoring as part of the CAS and thus secure long term funding for ongoing ambient monitoring. The AMSP team should consider this further as there will be opportunities under the regional planning and the knowledge and information directions to argue for monitoring in the context of the CAS. The Minister and Cabinet are very much aware that the CAS is being done and that it will complement land and water strategies.

Action 38.2: Merry and Mike will champion with the CAS team the idea of ambient monitoring being an important part of the CAS, and that the CAS is an opportunity to secure support for long-term funding for monitoring.

Kerra circulated a copy of the team's membership list and noted changes. The team considered if they needed to add any other sectors. The chemical sector is represented on the CASA board and can stay in the loop that way. CAPP represents oilsands as well as conventional oil and gas. Municipalities are not represented on the team. The AMSP team will do a written status update to the board if the final report is not presented in September.

Action 38.3: Kerra will confirm if Mike Pawlicki is still an alternate on the team.

Action 38.4: Kerra will check with urban and rural municipal board members about how they want to participate with this team.

2 Costs and Funding of Monitoring Network

Bob summarized the activity and progress of the Costs subgroup, which has had three teleconferences to look at funding and costs of various scenarios for all air monitoring in Alberta (compliance/fenceline,¹ airshed and provincial network). The team agreed it should clearly describe and define the different types of monitoring proposed in its report and why each is done.

Compliance monitoring is not currently part of the provincial network. It is done at very specific points to detect the highest ground level concentration that might occur due to a particular operation and to determine if ambient objectives are being exceeded downwind of facilities. It represents only one “dot,” so precludes extrapolation to what’s happening in the bigger area. 48% of monitoring is fenceline monitoring that is not part of airsheds.

Airshed monitoring is done to understand regional air quality or to address regional issues. A significant amount of compliance monitoring for industry is actually being done by airsheds, which further complicates the picture. There is some overlap between the provincial network and airsheds as some components of the provincial network are already part of airsheds.

The provincial network looks at the province as a whole; it is trying to get a sense of what the general air quality is and what’s coming in and out of Alberta. The provincial network is used to understand air quality in population centers, smog formation, acid deposition, background air quality, transboundary and spatial issues (in accordance with the proposed subprograms). If compliance stations meet the needs of the provincial network and can be folded into one of these subprograms, the team needs to find opportunities to do this.

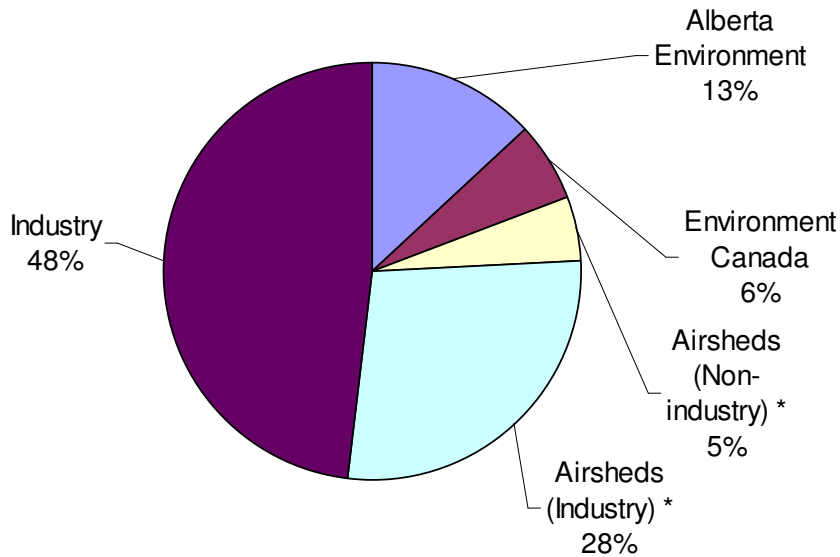
Bob had previously circulated documents with the following figure and table, which the team looked at in more detail.

Current Capital and Operating Costs for Ambient Monitoring in Alberta

Type of Monitoring	Total number of stations or units	Total Capital Replacement Cost (million \$)	Total Annual Operating Cost (million \$)
Continuous, permanent and temporary	127	21.1	6.2
Active integrated (intermittent)	60	1.0	2.0
Passive	395	0.1	0.6
Static	645	0.1	0.6
Acid deposition	11	0.1	0.1
Mobile and emergency	3	1.9	0.3
TOTAL		24.3	9.9

Funding Currently Administered for Air Monitoring in Alberta (Including Capital and Annual Operating Costs)

¹ Compliance monitoring and fenceline monitoring are used interchangeably to mean monitoring that industry is required to do as part of its facility approval.



* Assuming that 85% of the costs of monitoring in airsheds are funded by industry.

The team originally expected that when compliance monitoring was excluded from the numbers, industry would be paying more towards the provincial network than turns out to be the case. Most of AENV’s funding goes to the provincial network, and most of industry’s funding does not.

Action 38.5: Bob will provide additional details behind the numbers in the pie chart, and better define the stations that are included in each section.

Fenceline monitoring is intended to be linked directly to a facility, but exceedances due to another nearby facility or incident can occur and factors such as wind direction need to be considered. This is why having a good emissions database is very important.

Some stations serve dual purposes; e.g., Red Deer is an airshed station, but also qualifies as a provincial station because it meets the criterion for the population subprogram (it’s in a city with more than 20,000 people). Hightower Ridge is also an airshed station but meets the criterion for being a background station. Some compliance stations, with additions, could become part of the provincial program.

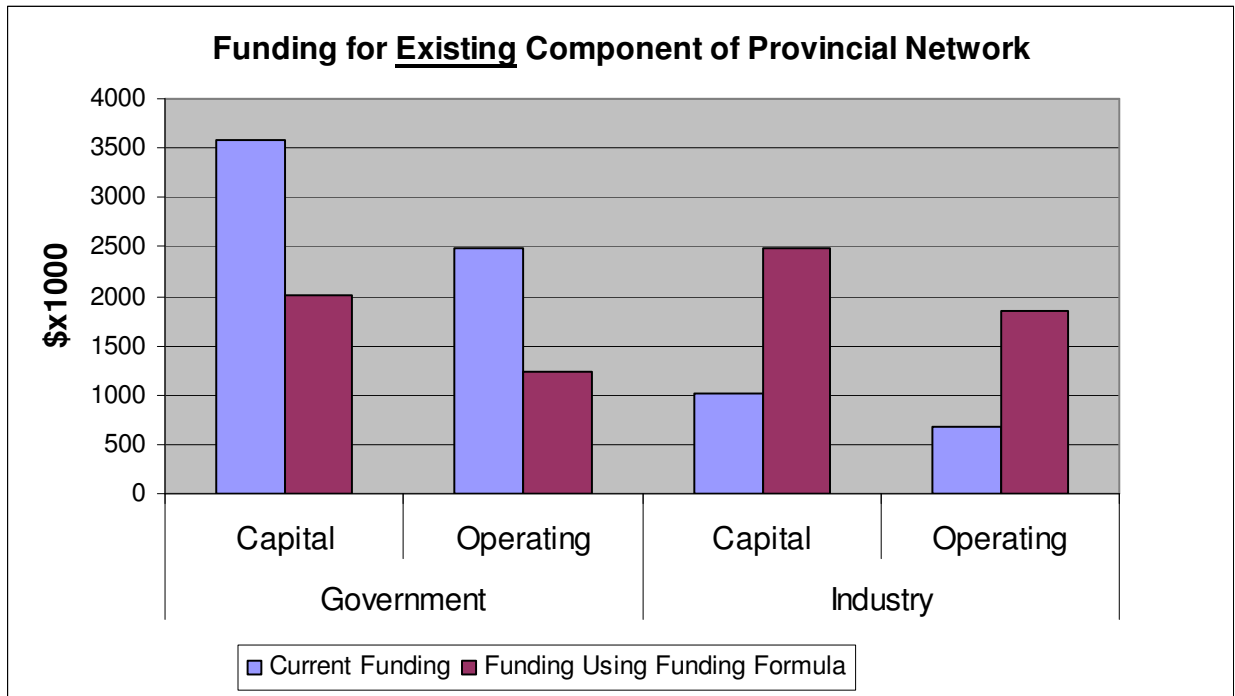
PAMZ has two portable monitors that only address issues within their zone. Industry supports this, but it doesn’t really fit into the provincial network; these stations have a different purpose and don’t relate to any of the subprograms.

For the provincial network, it appears that government pays more than industry, and for the airshed network, industry is paying more than government. The team still needs to define these two networks and agree on these definitions. These conclusions only hold if there is agreement on definitions.

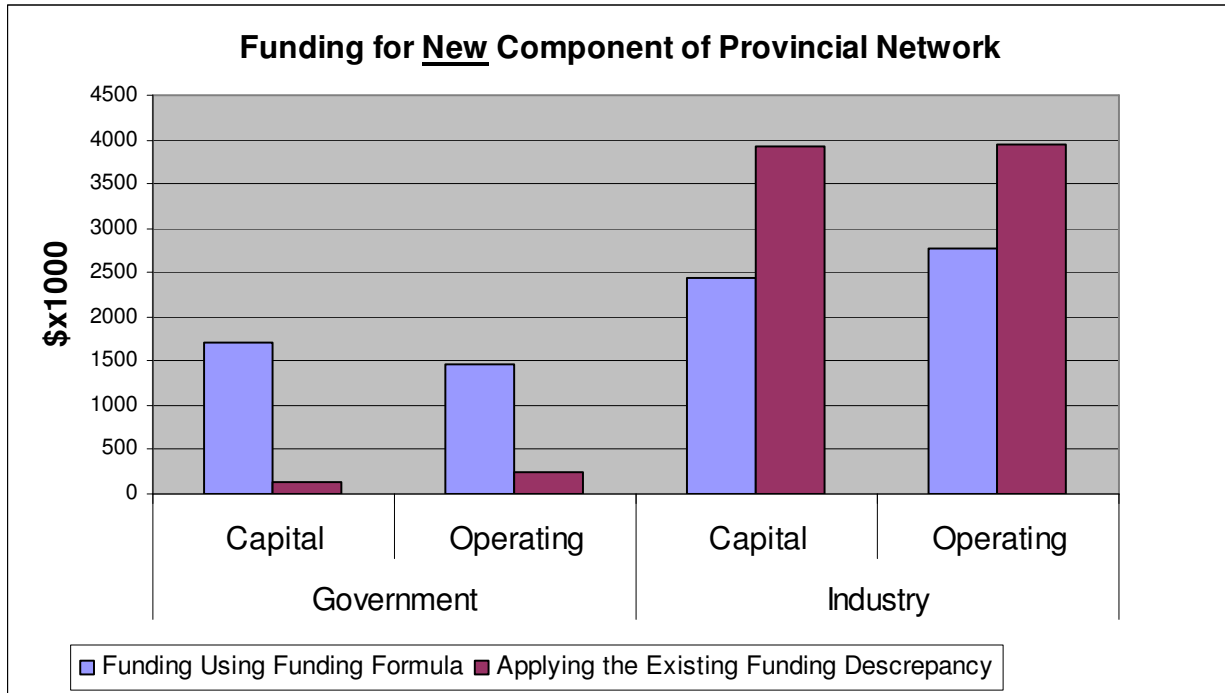
Action 38.6: The team will develop clear language for the key definitions.

The team then looked at charts prepared by Bob that compare funding for the existing and proposed components of the provincial network.

Funding for the existing portion of the proposed provincial monitoring network.



Funding for the new portion of the proposed provincial monitoring network.



For the existing component of the provincial network, government now pays more. If the funding formula is applied, industry should be paying more, which was an unexpected outcome for the team. This discrepancy must be taken into account in assigning costs for the new components, and the purple bar is essentially this “rebalancing” of costs. The existing and new total is about \$16-million for capital and operations. Now government pays \$9.2-million and industry pays about \$6.9-million. With the rebalancing, government will drop from \$3.5-million, and industry will go up to \$12.2-million. The team acknowledged that a lot of work remains to be done on funding.

3 Perspectives on Funding

Tom Dixon and Randy Angle from Alberta Environment joined the discussion at 1:00 pm. A key challenge for the team is determining who will be responsible for covering costs for diffuse, mobile and small industrial emitters. The team aims to have a network that includes all emissions and wants to find a way to get everyone to contribute their fair share. The team hoped that government may be able to implement a mechanism to collect funds for these emissions sources and that until a mechanism is in place, the GOA would contribute those funds directly (funding principles 3 and 4).

The previous AMSP was not implemented, largely because of funding issues and the team does not want that to happen again. We need certainty with respect to long-term implementation, and perhaps this needs to be pitched to the minister. The team wants to come forward with recommendations that are acceptable and can be acted on.

Randy and Tom advised that AENV could agree with shifting responsibility so everyone has a role, not just large emitters, but having costs for diffuse, mobile and small emitters paid for out of general revenue won't make this connection. A cornerstone of Alberta's policy has been polluter pay, and the only thing that has prevented us from getting to small and diffuse emitters is available technology. New options may be available that would help with this. If and when additional funds are provided, AENV could allocate funds toward implementing the AMSP, but can't commit to cover the costs attributed to diffuse sources.

AENV could explore options and mechanisms for raising the share of funds for sources that won't or can't pay directly, but can't commit to paying those costs now. This would be an expenditure that has not been approved. AENV is open to suggestions as to how those funds could be secured. AENV's current monitoring budget for everything is between \$5- and 6-million. Other jurisdictions have applied mechanisms such as adding \$1 to every municipal tax bill to cover monitoring; other sectors such as recycling have tools to ensure funds are available to deal with the product at the end of its life. The key is to have a way to ensure long-term sustainable support for the AMSP.

It would be useful to attach a timeline within which AENV would investigate mechanisms, determine what would work in Alberta and report back to the CASA board. The team could recommend that this be done in a specific time frame and could include examples that already exist in other jurisdictions. The mechanism selected could be one in which all contributions, irrespective of emissions source, go to a board or association that oversees the entire system and distributes money to airsheds and others. However, the larger and more complicated the approach, the more challenging it is likely to be to get approval.

Randy and Tom both indicated the need to keep the scope of the funding mechanisms doable by developing funding mechanisms for small industrial and diffuse anthropogenic sources only. They cautioned the AMSP Team not to "open a can of worms" by including funding mechanisms from industrial emitters, as the odds of getting such mechanisms approved by stakeholders is decreased.

Randy advised that AENV would likely consult stakeholders and gather input, but the work to identify a mechanism would be led by AENV and would be an internal project. The documents would not be public because they would be going to Cabinet. AENV would likely want to have this finished in the next two years, so the team's recommendation should include a target date.

Action 38.7: Bob will forward the GOA's policy development process to the team.

The team needs to determine if another mechanism is needed to deal with large emitters or if that approach stays as it is. The expected increase in expense for large industry as a result of the new formula and AMSP may necessitate changes. The team needs to revisit the funding formula to ensure it is fair and equitable.

Several scenarios, in addition to the one Bob presented earlier in the meeting, were suggested:

- Take municipalities out of the provincial network and treat them more like large industry. Diffuse sources are what influence air quality in Calgary, but Edmonton may be different. Government would be the main funder for these emissions, and they would be a standalone

component to be addressed. A way to deal with smaller cities (Red Deer, Lethbridge, Fort McMurray, etc.) is still needed.

- Remove compliance, airsheds and municipalities then apply the funding formula.
- Break up the province by Census Metropolitan Area, then look at emissions and monitoring required in each CMA. Each CMA would need its own funding formula.

The team agreed that the Cost Subgroup needs to do more work to look at the implications of the various options. They would describe the scenarios, how much each would cost, and note the implications in bullet form. They would include definitions that we agree on and lay out the actual funding formula that will be used.

Action 38.8: The Costs Subgroup will work up the costs and descriptions for the various scenarios

4 Neil Cape Report

This report was done to provide information for the team and it will be up to the team to accept the recommendations or not. The team will review the final draft for any errors, omissions, editorial concerns, etc. but does not have the prerogative of changing the recommendations since these are the purview of the consultant. The team will then need to consider if it wants to make changes to the proposed network based on Cape's report. The team reviewed his previous draft recommendations and some have already been taken into account.

Action 38.9: Team members will review the Cape report to test if anything has changed since the last draft. Comments will be provided to Kerra and Bob by email and any outstanding issues will be discussed at the next meeting.

The team agreed that the Cape report can be released as a draft according to AENV protocols, and posted on the website.

Action 38.10: Bob will put the Cape report through the AENV release process and ensure it is clearly marked "draft."

5 Team Work Plan and Budget

Members feel that cost information and funding should be addressed in their report to the board. The team identified three major elements that the team must discuss and get consensus on before a final report can go to the CASA board:

- Recommendations,
- Funding principles and other aspects related to funding, and
- Results from the workshop.

One option is to take part of the team's work to the board in September, then follow up with the rest at the December meeting. Alternatively, the team presents the whole package in December. Members discussed holding a retreat in September to bring the team together to focus on completing the report.

Action 38.11: Bob will go through the November draft of the report and make all the revisions he feels are needed to update the document based on recent discussions.

Action 38.12: Kerra will poll for: a) a meeting date for the Cost Subgroup, b) a team meeting date in July and August, and c) a date for a September retreat.

The meeting adjourned at 3:45 pm.