

BOARD MEETING DATE: June 6, 2014

AGENDA NO. 4

**PROPOSAL:** Amend Contract for Enhancement of New Annual Emissions Reporting System

**SYNOPSIS:** In March 2012, the Board approved a contract with Ecotek Consulting Inc. to develop and implement a new Annual Emissions Reporting (AER) system that provides more efficient and accurate emissions data submittal to CARB and U.S. EPA, and also to integrate optional GHG emissions reporting. This action is to amend Ecotek's contract for an additional amount not to exceed \$235,370 for program enhancements as well as improvements to the existing features based on feedback received from the AER facilities. Funding for this contract is included in the FY 2013-14 and FY 2014-15 Budget. This brings the contract total to \$581,269 of which \$200,000 is funded from the U.S. EPA grant.

**COMMITTEE:** Administrative, May 9, 2014; Recommended for Approval

**RECOMMENDED ACTION:**

Authorize the Executive Officer to amend the existing contract with Ecotek Consulting, Inc. for an additional amount not to exceed \$135,370 from the FY 2013-14 Budget and \$100,000 from the FY 2014-15 Budget.

Barry R. Wallerstein, D.Env.  
Executive Officer

## **Background**

Under SCAQMD's Annual Emission Reporting (AER) Program, there are approximately 2,000 facilities that are required to report their annual criteria and toxics emissions to the SCAQMD and pay emission fees in accordance with Rule 301(e) requirements. Additionally, facilities subject to the Air Toxics "Hot Spots" (AB 2588) program are required to report their quadrennial toxics emissions inventory through the AER Program. Consolidation of the AB 2588 toxics emission inventory reporting requirement into the AER program has improved the toxics emissions data quality and minimized the required resources for both the SCAQMD and regulated facilities.

As the need arose for faster submittal of emissions data to CARB and U.S. EPA, (i.e., the deadline for submitting the annual emissions data to CARB has become shorter by at least 90 days), it became essential to improve data collection efficiency. Furthermore, in 2011, SCAQMD was awarded a grant from U.S. EPA to integrate greenhouse gas reporting into the AER system to assist facilities in estimating their GHG emissions that are to be reported to the state and federal agencies, as applicable. In the meantime, the demand for reporting emissions data at a more detailed level is increased to support rulemaking, program review, and emission reduction credits applications. As such, development of a new AER reporting system became essential to provide a more user-friendly interface for facilities while maintaining consistency with CARB and U.S. EPA requirements.

In December 2011, the Board approved the release of an RFP to solicit proposals from qualified firms to develop a new AER system with an option to renew the contract for three additional years. Subsequently, in March 2012, the Board approved a contract with Ecotek Consulting Inc. to develop and implement the new AER system, using the initial \$103,921 in U.S. EPA grant funds combined with \$95,899 in SCAQMD funding. In March 2013, the Board approved amending the Ecotek contract to secure the 2<sup>nd</sup> installment of the U.S. EPA funds \$96,079 combined with \$50,000 from SCAQMD funding to include additional tasks as required by the EPA grant.

The new system was available as an option to the AER facilities for testing and reporting 2013 emissions. The use of this new system will be mandatory for the AER facilities to report future emissions data starting 2015.

## **Proposal**

During the pilot testing and user feedback, additional enhancements were identified. These enhancements include, but are not limited to, providing the users with a report generating features for quality assurance/quality control purposes; importing previous year data; making the program lookup tables year-specific; uploading the most current facility permit profiles; adding specific reporting features for the RECLAIM NO<sub>x</sub> and SO<sub>x</sub> facilities; enhancing import function for tank emissions using EPA TANK 4.0 program by including additional features for data quality purposes; allowing selective

grouping of identical emission sources; developing an export program to compile the emission data into the CEDARS format for submittal to CARB; enhancing program security and performance; and revising documentation per SCAQMD system specification requirements such as database design, system configuration, deployment instructions, source code compilation and instructions, and performance testing.

Staff recommends that the Board authorize funding an additional amount not to exceed \$235,370 for the completion of the above tasks to ensure the smooth implementation of the new AER system.

### **Benefits to SCAQMD**

The new emissions reporting system will include new features such as quality control, enhanced data management, standard and ad hoc reporting, and billing functions as well as integration of greenhouse gas emission reporting. The new system, once implemented, should provide additional enhancements which will help reduce staff resources currently required to administer the existing system. Furthermore, the new system would streamline data submittal to CARB and U.S. EPA in a more expedited manner and provide more detailed emission inventory to support rulemaking, policy development, and potential rule implementation.

### **Resource Impacts**

Funds for this proposal in an amount not to exceed \$235,370 are available in the Planning, Rule Development and Area Sources Budget, Capital Outlays Major Object, Capital Outlays account of which \$135,370 is available in the FY 2013-14 Budget and \$100,000 is available in the FY 2014-15 Budget.