

BOARD MEETING DATE: June 6, 2014

AGENDA NO. 23

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee met Friday, May 16, 2014 in Palm Desert. Following is a summary of that meeting.

RECOMMENDED ACTION:
Receive and file.

Dennis Yates, Chair
Stationary Source Committee

MN:am

Attendance

The meeting began at 11:55 a.m., immediately following the Governing Board Retreat in Palm Desert. Present were Mayor Dennis Yates, Dr. Joseph Lyou, Mayor Pro Tem Ben Benoit and Mayor Judith Mitchell. Absent was Supervisor Shawn Nelson.

INFORMATIONAL ITEMS

1. 2016 AQMP Reasonably Available Control Technology Demonstration SIP

Joe Cassmassi, Planning and Rules Manager, provided the Committee with a summary of the Reasonably Available Control Technology (RACT) demonstration to be submitted as a required component of the 2016 AQMP to CARB and from CARB to U.S. EPA by July 20, 2012. The RACT demonstration examines existing SCAQMD rules and compares them to U.S. EPA guidance documents and existing rules elsewhere in California and the rest of the country to determine whether the most current control techniques are being implemented to maximize emissions reductions. Mr. Cassmassi indicated that staff's analysis conclude that SCAQMD rules meet RACT criteria. The RACT analysis commits to further evaluate SCAQMD rules for sources in six emissions categories relative to rules adopted by

other California agencies to provide clarity in rule interpretation and implementation practices. Dr. Joseph Lyou asked if the RACT analysis would incorporate amendments to tighten the rules governing oil production in light of issues at the AllenCo facility. Dr. Wallerstein commented that such action was being discussed by staff but was not a component of the RACT analysis. Dr. Lyou also asked if the RACT or RACM analysis would include a discussion of the San Joaquin Valley indirect source rule. Dr. Elaine Chang responded that the 2007 AQMP had included the measure but it had not been adopted by the Governing Board to date. Dr. Wallerstein concluded the discussion by stating that the 2016 AQMP would require analysis of all potential sources of emissions reduction to meet federal standards. He also restated that the RACT analysis was a requirement of the Clean Air Act and submission of the analysis would not be an impediment to development of new rules to be incorporated in the 2016 AQMP assessment.

2. 2013 Annual Report on AB 2588 Air Toxics Hot Spots Program

Susan Nakamura, Director of Strategic Initiatives, provided a summary of the AB 2588 annual report. Staff summarized key activities in 2013 and future activities for the AB 2588 program. Dr. Lyou asked if there is a toxic risk associated with periodic increase in VOC emissions from refineries. Barry Wallerstein replied that the VOC emissions were short-term. Dr. Lyou also asked about what toxic air contaminants are being measured from Carlton Forge. Dr. Wallerstein replied that the SCAQMD staff is still looking at the data and will return to the Stationary Source Committee to discuss the results.

3. Proposed Withdrawal of SIP Submittals for Select Rules and Regulations

Barbara Baird, Chief Deputy Counsel, presented this item. She explained that staff was trying to assist U.S. EPA in reducing its backlog of SIP submittals so they can concentrate on high-priority items. The items proposed for withdrawal from SIP submission generally fall in three categories. First, some of them refer to or rely on rules that have been repealed or expired, such as the 1500 series rules that refer to Rule 1501, which has been replaced by Rule 2202, regarding ridesharing programs. Second, there are the 500 series rules, which are the procedures for variances. U.S. EPA does not recognize variances except those issued under Rule 518.2, a separate rule which U.S. EPA has already approved. That rule contains all the federally-necessary procedures, so the other variance procedure rules are unnecessary and U.S. EPA would not approve them. Third, the 1700 series rules are the District's "Prevention of Significant Deterioration" (PSD) rules (new source review for attainment pollutants). The District currently implements PSD through a partial delegation agreement with U.S. EPA. These rules are not approvable by U.S. EPA in their current form. Staff has recently been in discussions with U.S. EPA to see if

there is a way for the rules to be amended so they could be approved. If so, the amended rules would be submitted.

Dr. Wallerstein added that this was part of a nationwide effort by EPA to reduce its SIP backlog in response to criticism from members of Congress.

Dr. Lyou asked whether Rule 518, which is proposed for withdrawal, is the same as Rule 518.2. Ms. Baird replied that Rule 518.2 is a separate rule that has been approved by EPA and is not proposed for withdrawal. Dr. Lyou indicated he may need more information before coming to a decision on this issue.

WRITTEN REPORTS

All written reports were acknowledged by the Committee.

PUBLIC COMMENTS

There were no public comments, so Mayor Yates adjourned the meeting. However, three members of Sierra Club arrived after the meeting was adjourned; therefore, Mayor Yates opened the meeting back up again to allow for public comments from Sierra Club members. The Sierra Club members recognized the progress made in cleaning the air, however, expressed concerns that our region still has some of the worst air quality in the nation and many children and adults living in this region suffer from asthma and other illnesses. They commented that clean energy is needed and urged the SCAQMD Board to continue to adopt rules and regulations to achieve further emission reductions in order to obtain clean air in this region.

Attachments

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
STATIONARY SOURCE COMMITTEE
May 16, 2014
ATTENDANCE ROSTER (Voluntary)**

NAME	AFFILIATION
Mayor Dennis Yates	SCAQMD Governing Board
Dr. Joseph Lyou	SCAQMD Governing Board
Mayor Pro Tem Benoit	SCAQMD Governing Board
Mayor Judith Mitchell	SCAQMD Governing Board
Barry Wallerstein	SCAQMD Staff
Mohsen Nazemi	SCAQMD Staff
Philip Fine	SCAQMD Staff
Elaine Chang	SCAQMD Staff
Barbara Baird	SCAQMD Staff
Bayron Gilchrist	SCAQMD Staff
Joe Cassmassi	SCAQMD Staff
Jill Whynot	SCAQMD Staff
Susan Nakamura	SCAQMD Staff
David Rothbart	LA County Sanitation District
Lee Wallace	Southern California Gas
Bill LaMarr	California Small Business Alliance
Rita Loof	RadTech International
Susan Stark	Tesoro
Peter Whittingham	Curt, Pringle & Assoc.
Patty Senecal	Western States Petroleum Assoc.