BOARD MEETING DATE: April 7, 2017 AGENDA NO. 22

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee met Friday, March 17, 2017.

Following is a summary of that meeting.

RECOMMENDED ACTION:

Receive and file.

Ben Benoit, Chair Stationary Source Committee

LT:eb

Attendance

The meeting began at 10:30 a.m. In attendance at SCAQMD Headquarters were Committee Chair Ben Benoit and Committee Members Judith Mitchell, Dr. Joseph Lyou, and Sheila Kuehl. Absent were Committee Members Shawn Nelson and Janice Rutherford.

INFORMATIONAL ITEMS

1. Update Using Advanced Remote Sensing Technologies to Measure Emissions From Refineries and Other Sources

Dr. Andrea Polidori, Science and Technology Advancement Manager, presented a summary on the results of three Optical Remote Sensing (ORS) projects conducted at the end of 2015 to characterize emissions from refineries, small sources, marine vessels, and the ports.

In response to inquiries made by Supervisor Kuehl, Dr. Fine, Deputy Executive Officer/Planning, Rule Development & Area Sources, stated that new emissions data from ORS studies will be integrated into the upcoming MATES V (2018) modeling to better assess the health risks to communities located near refineries and other large and small sources.

Dr. Laki Tisopulos, Deputy Executive Officer/Engineering and Permitting, added that refineries are required to report their annual emissions, and while emissions have decreased significantly over the years, ORS technologies can help refine emission inventories and identify potential leaks very quickly and effectively, thereby reducing overall air toxic emissions within the surrounding communities.

Dr. Lyou asked if it would be possible to work cooperatively with refineries to develop a program which would rely on actual measurements to identify critical issues, and reduce overall emissions.

Wayne Nastri, Executive Officer, stated that this study was carried out with the cooperation of the refineries and there has been a lot of support from the refinery industry for implementing these technologies.

Dr. Tisopulos and Mr. Nastri responded that there was no immediate answer to Dr. Lyou's inquiry about the reason measured VOC emissions were different from the correspondent emission inventories but results pointed to the limitations of the currently used conventional emission inventory methodology in capturing leaks.

In response to an inquiry from Dr. Lyou, Dr. Polidori stated that staff did measure methane but the study was focused on VOCs. Dr. Polidori further stated that in all cases of the study, measured NO2 emissions seemed to be higher than what was reported in the inventories. Dr. Polidori clarified for the particular facility in Signal Hill emitting more than 21 ppb of benzene, staff was in the process of deploying four different low-cost VOC sensors to measure potential exposure impacts in the surrounding community.

Ms. Bridget McCann, Western States Petroleum Association (WSPA), stated that WSPA will work with SCAQMD on this technology. She expressed technical concerns and explained that existing EPA-approved inventory methods must be followed. Dr. Tisopulos stated that SCAQMD plans to further explore the capabilities of ORS technologies for quantification purposes; although, at present, staff believed they could be used for leak detection and emission reduction purposes, for regulatory or enforcement purposes.

Dr. Polidori stated that Solar Occultation Flux (SOF) is used as a Best Available Technology in Europe and that it did have certain limitations.

Dr. Tisopulos responded to Dr. Lyou's inquiry by stating that most of the refineries have FLIR (forward-looking infrared) cameras (i.e. thermal imaging).

2. Summary of Proposed Amended Rule (PAR) 219 – Equipment Not Requiring a Written Permit to Operate Pursuant to Regulation II; and Summary of PAR 222 - Filing Requirements for Specific Emission Sources Not Requiring a Written Permit to Operate Pursuant to Regulation II

Staff presentation was given by Tracy Goss, Planning and Rules Manager. The Committee asked questions regarding staff's proposal for exempting from permitting UV/EB materials. Staff responded that possibly all facilities should be allowed the same requirements to remain technology-neutral and not favor any one industry or technology. Staff also presented the options available to UV/EB operations under the staff proposal and another option under consideration but not currently in the proposal for an exemption for material concentration limits of 50 g/L materials, 25 g/L cleanup solvent, with a 1 ton per year (tpy) limit on VOC emissions, and submittal of recordkeeping currently required under Rule 109 in lieu of registration. After discussion, the Committee supported a technology-neutral approach. Dr. Lyou stated that he favors incentivizing movement from higher VOC concentration materials to cleaner technology. He prefers 25 g/L vs. 50 g/L for materials, but only if it is achievable.

Rita Loof, RadTech International, provided comments on behalf of the UV/EB industry. Capital investment is required to use this technology and should be afforded some consideration. She gave an example of conventional coating usage of 6 gal/day where switching to UV/EB would reduce emissions by 12 lbs/day. Ms. Loof expressed concern that the recommendations for amendments to PAR 219 came primarily from staff. Jill Whynot, Chief Operating Officer, addressed comments from a letter that Ms. Loof distributed to Mr. Nastri and Board members that the rulemaking process is not transparent. Ms. Whynot explained that we have an internal process where engineers and inspectors provide suggestions to the rule team for evaluation of categories for proposed amendments. This input is the starting point for the staff proposal and for public input. Staff is conducting a transparent process and internal communications are an important part of rulemaking.

Bill LaMarr, California Small Business Alliance, expressed dismay regarding his perception that staff has ignored an earlier proposal submitted for the 2013 amendment to Rule 219 to move <1 lb/day NOx sources, particularly spray booths, to Rule 222 and that staff has indicated they will look into the proposal but he hasn't seen any progress. Under Rule 222, recordkeeping is still required and small business owners would benefit. He asked the Stationary Source Committee to direct staff to engage with the industry and to address the issue now while Rules 222 and 1147 are open. Susan Nakamura, Acting Assistant Deputy Executive Officer/Planning, Rule Development & Area Sources, indicated that ethylbenzene and other potential toxic materials are a concern and permit conditions are needed to limit use of materials to stay under health risk thresholds. SCAQMD has no

opportunity to establish appropriate conditions under a registration system. Mr. Nastri commented that we are and will continue to look at mechanisms to streamline permitting for certain smaller sources that meet specific criteria. Amir Dejbakhsh, Assistant Deputy Executive Officer/Engineering and Permitting, said that permits for heaters for automotive spray booths are issued together with the spray booths themselves and that they are not separate.

Gerry Enders, a spray booth shop owner, commented that he had two spray booths in El Monte that were moved to a new location. Neither had a low-NOx burner. Due to the cost, he only retrofitted one of the spray booths with a low-NOx burner. The new burner does not work well, and there is only one certified burner manufacturer to choose from – MidCo. Mr. Dejbakhsh confirmed that only one burner manufacturer applied for certification, but other burners could be used and would be subject to source testing for compliance with Rule 1147. Staff was directed to meet, and following the Committee meeting met, with Mr. Enders separately.

Bill Pearce, Boeing, requested a 30-day delay in order to receive input from multiple sites and provide detailed comments on the staff proposal. Dr. Fine said staff would meet and discuss the company's concerns. David Rothbart, Southern California Alliance of Publicly-Owned (SCAP) Treatment Works, described an exemption that Los Angeles County Sanitation Districts requests relative to a passive carbon adsorption system for food waste storage and asked for a 1-month delay in order to provide time to vet the staff proposal. Joe Blanford, a UV/EB supplier, stated his support for the RadTech proposal. Emissions using UV are lower than conventional technology.

Susan Stark, Tesoro, described a vapor sock technology to replace guide-pole floats on floating roof tanks, stating that EPA considers vapor socks to be equivalent technology, and San Diego allows them as equivalent. Ms. Stark commented that if staff cannot provide an exemption under Rule 219, at least consider Rule 222 registration. Mr. Goss acknowledged the U.S. EPA equivalency, but that Rule 1178 does not address the technology. Mayor Pro Tem Benoit asked if Rule 1178 needs to be amended and was told yes by staff. Dr. Lyou suggested that Rule 219 could allow it, pending Rule 1178 requirements. Ms. Nakamura commented that if vapor socks were not exempted in Rule 219, staff could include a commitment in the Resolution to ensure that the issue is addressed in the next amendment to Rule 219.

Dr. Lyou then asked if staff had clear enough direction regarding the UV/EB issue. Dr. Fine gave a recap of staff's understanding.

WRITTEN REPORTS

All written reports were acknowledged by the Committee.

OTHER BUSINESS

None.

PUBLIC COMMENTS

There were no public comments.

The next Stationary Source Committee meeting is scheduled for April 21, 2017. The meeting was adjourned at 12:30 p.m.

Attachment

Attendance Roster

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT STATIONARY SOURCE COMMITTEE MEETING

March 17, 2017 Attendance Roster (Voluntary)

Mayor Pro Tem Ben Benoit	SCAQMD Governing Board
Dr. Joseph Lyou	SCAQMD Governing Board
Councilmember Judith Mitchell	SCAQMD Governing Board
Supervisor Sheila Kuehl	SCAQMD Governing Board
Board Consultant David Czamanske	SCAQMD Governing Board (Cacciotti)
Board Consultant Ron Ketcham	SCAQMD Governing Board (McCallon)
Wayne Nastri	SCAQMD staff
Bill Wong	SCAQMD staff
Philip Fine	SCAQMD staff
Laki Tisopulos	SCAQMD staff
Jill Whynot	SCAQMD staff
Kurt Wiese	SCAQMD staff
Andrea Polidori	SCAQMD staff
Amir Dejbakhsh	SCAQMD staff
Susan Nakamura	SCAQMD staff
Tina Cox	SCAQMD staff
Bill LaMarr	California Small Business Alliance
David Rothbart	L.A. County Sanitation Districts
Rita Loof	RadTech
Susan Stark	Tesoro
Bill Pearce	The Boeing Company
Noel Muyco	SoCalGas
Peter Whittingham	Curt Pringle & Associates
Tony Endres	FDI
Bridget McCann	Western States Petroleum Association
Patty Senecal	Western States Petroleum Association