

BOARD MEETING DATE: November 3, 2017

AGENDA NO. 26

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee held a meeting on Friday, October 20, 2017. The following is a summary of the meeting.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit, Chair
Stationary Source Committee

LT:eb

Committee Members

Present: Mayor Pro Tem Ben Benoit, Chair (videoconference), Dr. Joseph Lyou, Vice Chair, Supervisor Sheila Kuehl, Council Member Judith Mitchell, Supervisor Shawn Nelson (videoconference)

Absent: Supervisor Janice Rutherford

Call to Order

Vice Chair Lyou called the meeting to order at 10:55 a.m.

The Committee became aware that Chair Benoit was listening at 11:15 a.m.

INFORMATIONAL ITEMS:

1. Permit Application Backlog Reduction Report

Dr. Laki Tisopulos, Deputy Executive Officer/Engineering & Permitting, provided an end of the fiscal year report on the permit application backlog reduction and permit automation efforts. Significant progress has been made on all fronts, exceeding targets set. Dr. Lyou commended staff on the progress made to date. There were no public comments on this agenda item.

2. Proposed Rule 1148.3 Requirements for Natural Gas Underground Storage Facilities

Dr. Lyou recused himself from this item pending a potential conflict with The Gas Company. Susan Nakamura, Assistant Deputy Executive Officer/ Planning, Rule Development and Area Sources gave the staff presentation, giving an update since the April 2016 Committee briefing. She explained the staff recommendation to

suspend rulemaking on Proposed Rule (PR) 1148.3 in light of the recently adopted California Air Resources Board (CARB) Oil and Gas Regulation. Council Member Mitchell asked whether suspending the rulemaking meant that it could proceed again later. Ms. Nakamura responded in the affirmative. There were no public comments on this agenda item.

3. Proposed Amended Rule 1466 - Control of Particulate Emissions from Soils with Toxic Air Contaminants

Ms. Nakamura presented a summary of Proposed Amended Rule 1466. Dr. Lyou asked why volatile organic compounds are exempt. Ms. Nakamura responded that volatile organic compounds are exempt from this proposed rule because they are subject to Rule 1166 – Volatile Organic Compound Emissions from Decontamination of Soil. William Pearce with The Boeing Company commented that staff indicated that there would be a notification form for stakeholders to beta test and that has yet to occur. Ms. Nakamura responded that staff has been working on the online notification forms and they will be available shortly for testing. Mr. Pearce also stated that the new provision requiring sites to update notifications for a delay in start date would be onerous due to the fact that delays often occur due to reasons beyond a site operator’s control. Ms. Nakamura explained that notifications are necessary to dispatch Compliance staff efficiently. Mr. Pearce emphasized that there is not a problem with notifying SCAQMD, but that the site would incur notification charges for each delay. Executive Officer Wayne Nastri responded that staff will reassess the fees associated with updated notifications. Dr. Lyou noted that environmental justice advocates requested that the list of applicable toxic air contaminants be more inclusive and asked what staff has done regarding that comment. Mr. Nastri confirmed that Proposed Amended Rule 1466 is more inclusive.

4. Proposed Rule 1180 Petroleum Refinery Fenceline and Community Air Monitoring

Dr. Philip Fine, Deputy Executive Officer/Planning, Rule Development and Area Sources, presented the proposal for PR 1180. The presentation included background information, a summary of key comments from the working group meetings, overview of AB 1647 (Muratsuchi), key revisions to the proposed rule, and information about the public process. The proposed rule is scheduled for a Set Hearing on November 3, 2017 and a Public Hearing on December 1, 2017.

Council Member Mitchell asked whether AB 1647 set boundaries or defined a community. Dr. Fine responded that AB 1647 does not define community and requires air districts to develop guidelines that cover all the objectives within AB 1647. Council Member Mitchell also asked if there would be a radius established around refineries to determine the appropriate placement of community air monitors. Dr. Fine explained that is one way to determine monitoring sites and that there are other ways such as looking at the nearest downwind communities to ensure

sufficient coverage. He also stated that staff has information that can be used to determine the appropriate locations for the siting of community air monitors.

Dr. Lyou commented that what is downwind can change based on wind patterns. Dr. Fine responded that there is a possibility that certain refineries would need more than one community air monitoring station to cover all affected communities. Also, Dr. Fine mentioned that in certain instances where refineries are clustered it is possible that one air monitor may be sufficient for coverage. Utilizing low-cost sensors, such as VOC sensors, that could improve the spatial coverage for less cost.

Council Member Mitchell asked how requirements of the proposed rule intersect with AB 617 (C. Garcia). Dr. Fine responded that the state-wide guidelines for AB 617 are not yet available but that staff is actively working with CARB to ensure that the guidelines are not duplicative and are complementary to AB 1647 and the requirements of PR 1180. Dr. Fine added that it is quite possible that the refineries will fund a large portion of the air monitoring stations in communities but the stations may have to be supplemented for other pollutants that are not as relevant to refineries to ensure that the requirements of AB 617 are satisfied. Dr. Fine also stated that additional funding may be provided by the state. Mr. Nastri added that staff has had extensive discussions with CARB to ensure a holistic approach that brings together district experience in order to best implement the requirements of AB 617.

Dr. Lyou asked about the monitoring contracts for Torrance Refinery settlement funding and commented that that process could be used for the alert system. Dr. Fine responded that the Board approved two contracts including one with Sonoma Technologies and another with the City of Torrance. Dr. Fine noted that the contract with Sonoma Technologies included a fence-line air monitoring system with a notification system while the contract with the City of Torrance included an update to the city's alert system. The fence-line air monitoring information provided by Sonoma Technologies could be provided to the City of Torrance in a way that they can react quickly and provide alerts. Dr. Lyou added that the monitoring efforts will provide a lot of data and he hopes that staff is working on putting that data in a context that is meaningful to the public. Dr. Fine responded that staff is working through that; for example, through access to data displays on websites and through the development of community air monitoring work plans, there will be public processes for community involvement. Dr. Lyou commented that we should be sharing this information with the California Air Pollution Control Officers Association (CAPCOA) since we are on the leading edge of community air monitoring efforts.

Bridget McCann representing the Western States Petroleum Association (WSPA) expressed appreciation for the collaborative efforts with staff during the rulemaking process. Ms. McCann commented that any cost recovery provisions for community air monitoring should be in Regulation III – Fees, to be consistent with past

rulemaking efforts and to ensure an effective cost mechanism. Ms. McCann added that no information on costs for community monitoring have been provided in writing or presented at any of the working group meetings. Dr. Fine responded that there are upfront costs for the installation of community air monitors and operation and maintenance costs that staff is working on, and will have information before December.

5. RECLAIM Quarterly Report

Tracy A. Goss, Planning and Rules Manager, provided the Committee with a quarterly update regarding transitioning the NO_x Regional Clean Air Incentives Market (RECLAIM) program to a command and control regulatory structure, highlighting recent working group meeting activities and providing a general approach to upcoming rulemaking.

Dr. Lyou stated that the priorities of the transition should be to address equipment with the highest emission reduction potential. He would also like to see where the reduction opportunities are within a particular facility, such as a refinery, and whether certain individual equipment can be removed from the RECLAIM program before the entire facility exits. Mr. Goss replied that it would be a challenge administratively to treat any RECLAIM facility under two different regulatory structures. Dr. Fine stated that staff has embarked on rulemaking that would address specific source categories, such as one all-encompassing refinery equipment rule, as well as individual rules for electricity generating facilities and larger external combustion equipment, respectively.

6. Update on the Draft Assessment of tertiary-Butyl Acetate (tBAc)

Dr. Fine presented an update on the assessment of tertiary butyl acetate (tBAc). He presented a brief background and informed the Committee that the OEHHA Scientific Review Panel's meeting on tBAc was delayed until December. Staff recommends waiting until the assessment is finalized to take further action. Council Member Mitchell asked that staff report back to the Stationary Source Committee after the Scientific Review Panel meets. Supervisor Kuehl indicated that this a toxic substance and we do not want to delay this process. Dr. Fine indicated that staff would come back to the Stationary Source Committee once the Scientific Review Panel finalizes their review and take action based on the Board's direction.

WRITTEN REPORTS:

7. Twelve-month and Three-month Rolling Price of RTCs for Compliance Years 2016 and 2017

The report was acknowledged by the Committee.

8. Notice of Violation Penalty Summary

The report was acknowledged by the Committee.

OTHER MATTERS:

9. **Other Business**

There was no other business.

10. **Public Comment Period**

David Rothbart, representing the Southern California Alliance of Publically Owned Treatment Works (SCAP), and Kevin Stewart, Director of Water Reclamation for the City of San Bernardino, expressed concerns regarding Rule 1110.2 - Emissions from Gaseous- and Liquid-Fueled Engines, as it pertains to regulating engines that burn biogas. The rule requires that biogas engines, by January 1, 2018, either meet the same standards as natural gas engines or pay a mitigation fee. They stated that it has been very challenging and very expensive to use technologies that have been proven to work. The hydrogen injection technique that the City of San Bernardino is experimenting with looks very promising but they need more time beyond January 2018 and want to avoid paying a mitigation fee. Mr. Nastri will have staff look into this, get more information and conduct an internal review of the program. Dr. Lyou asked staff to come back to the Stationary Source Committee once staff has a recommendation on how to proceed.

Florence Gharibian of the Del Amo Action Committee expressed her concern and disappointment at the California Energy Commission staff comments regarding the need for hydrofluoric acid (HF) use at the refineries and requested that SCAQMD not back off on phasing out HF for the safety of the community.

11. **Next Meeting Date**

The next regular Stationary Source Committee meeting is scheduled for Friday, November 17, 2017 at 10:30 a.m.

Adjournment

The meeting was adjourned at 12:00 p.m.

Attachments

1. Attendance Record
2. Twelve-month and Three-month Rolling Price of RTCs for Compliance Years 2016 and 2017
3. Notice of Violation Penalty Summary

ATTACHMENT 1

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
STATIONARY SOURCE COMMITTEE**

Attendance – October 20, 2017

Mayor Pro Tem Ben Benoit (videoconference)	SCAQMD Governing Board
Dr. Joseph Lyou.....	SCAQMD Governing Board
Supervisor Sheila Kuehl.....	SCAQMD Governing Board
Council Member Judith Mitchell.....	SCAQMD Governing Board
Supervisor Shawn Nelson (videoconference)	SCAQMD Governing Board
David Czamanske.....	Board Consultant (Cacciotti)
Andy Silva.....	Board Consultant (Rutherford)
Florence Gharibian	Del Amo Action Committee
Al Javier.....	Eastern Municipal Water District
Bill LaMarr.....	California Small Business Alliance
Rita Loof.....	RadTech
Bridget McCann	Western States Petroleum Association
Daniel McGivney	SoCalGas
Lauren Nevitt.....	SoCalGas
Bill Pierce	Boeing
David Rothbart	L.A. County Sanitation Districts
Susan Stark	Andeavor (formerly Tesoro)
Kevin Stewart	San Bernardino Valley Municipal Water District
Philip Fine	SCAQMD staff
Tracy Goss.....	SCAQMD staff
Susan Nakamura.....	SCAQMD staff
Wayne Nastri	SCAQMD staff
Laki Tisopulos	SCAQMD staff
Jill Whynot	SCAQMD staff
Kurt Wiese.....	SCAQMD staff



South Coast Air Quality Management District

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Twelve-Month and Three-Month Rolling Average Price of Compliance Years 2016 and 2017 NOx and SOx RTCs

October 2017 Quarterly Report to Stationary Source Committee

Table I

Twelve-Month Rolling Average Price Data for Compliance Year 2016 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2016 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-16	Jan-15 to Dec-15	224.2	\$635,305	13	\$2,833
Feb-16	Feb-15 to Jan-16	224.2	\$635,305	13	\$2,833
Mar-16	Mar-15 to Feb-16	262.9	\$797,077	16	\$3,032
Apr-16	Apr-15 to Mar-16	268.3	\$817,792	18	\$3,049
May-16	May-15 to Apr-16	275.0	\$846,346	23	\$3,078
Jun-16	Jun-15 to May-16	294.6	\$929,752	27	\$3,156
Jul-16	Jul-15 to Jun-16	298.2	\$946,490	30	\$3,174
Aug-16	Aug-15 to Jul-16	296.0	\$928,978	34	\$3,138
Sep-16	Sep-15 to Aug-16	318.7	\$1,017,153	42	\$3,191
Oct-16	Oct-15 to Sep-16	225.7	\$841,616	45	\$3,730
Nov-16	Nov-15 to Oct-16	290.7	\$1,030,619	62	\$3,546
Dec-16	Dec-15 to Nov-16	342.4	\$1,136,149	66	\$3,318
Jan-17	Jan-16 to Dec-16	748.6	\$2,195,315	76	\$2,932
Feb-17	Feb-16 to Jan-17	1,128.2	\$2,785,334	110	\$2,469
Mar-17	Mar-16 to Feb-17	1,293.2	\$2,926,614	128	\$2,263
Apr-17	Apr-16 to Mar-17	1293.9	\$2,917,770	129	\$2,255
May-17	May-16 to Apr-17	1,383.9	\$3,318,537	149	\$2,398
Jun-17	Jun-16 to May-17	1,366.0	\$3,243,007	146	\$2,374
Jul-17	Jul-16 to Jun-17	1,413.9	\$3,400,528	154	\$2,405
Aug-17	Aug-16 to Jul-17	1,487.7	\$3,631,962	166	\$2,441

Twelve-Month Rolling Average Price Data for Compliance Year 2016 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Sep-17	Sep-16 to Aug-17	1,778.4	\$4,268,466	186	\$2,400
Oct-17	Oct-16 to Sep-17	Compliance Year 2016 RTCs can no longer be traded after August 2017			

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table II

Twelve-Month Rolling Average Price Data for Compliance Year 2017 NOx RTCs
(Report to Governing Board if rolling average price greater than \$22,500/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2017 NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-17	Jan-16 to Dec-16	69.7	\$460,621	9	\$6,606
Feb-17	Feb-16 to Jan-17	94.7	\$610,693	11	\$6,446
Mar-17	Mar-16 to Feb-17	82.2	\$573,193	10	\$6,970
Apr-17	Apr-16 to Mar-17	125.3	\$824,493	12	\$6,581
May-17	May-16 to Apr-17	113.8	\$741,828	15	\$6,519
Jun-17	Jun-16 to May-17	113.8	\$741,828	15	\$6,519
Jul-17	Jul-16 to Jun-17	134.4	\$867,079	22	\$6,450
Aug-17	Aug-16 to Jul-17	144.8	\$920,041	29	\$6,355
Sep-17	Sep-16 to Aug-17	150.4	\$955,120	35	\$6,351
Oct-17	Oct-16 to Sep-17	151.2	\$956,005	36	\$6,323

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table III

Three-Month Rolling Average Price Data for Compliance Year 2016 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2016 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
May-16	Feb-16 to Apr-16	50.8	\$211,041	10	\$4,158
Jun-16	Mar-16 to May-16	31.7	\$132,675	11	\$4,188
Jul-16	Apr-16 to Jun-16	29.9	\$128,699	12	\$4,304
Aug-16	May-16 to Jul-16	32.9	\$130,194	12	\$3,953
Sep-16	Jun-16 to Aug-16	36.0	\$134,963	16	\$3,747
Oct-16	Jul-16 to Sep-16	39.4	\$142,688	18	\$3,623
Nov-16	Aug-16 to Oct-16	157.2	\$436,641	32	\$2,778
Dec-16	Sep-16 to Nov-16	186.2	\$453,996	28	\$2,438
Jan-17	Oct-16 to Dec-16	635.3	\$1,741,442	41	\$2,741
Feb-17	Nov-16 to Jan-17	887.4	\$2,007,458	56	\$2,262
Mar-17	Dec-16 to Feb-17	1,039.3	\$2,204,979	73	\$2,122
Apr-17	Jan-17 to Mar-17	589.3	\$904,942	58	\$1,536
May-17	Feb-17 to Apr-17	306.4	\$744,245	49	\$2,429
Jun-17	Mar-17 to May-17	104.5	\$449,068	29	\$4,296
Jul-17	Apr-17 to Jun-17	149.9	\$611,457	37	\$4,079
Aug-17	May-17 to Jul-17	136.8	\$443,619	29	\$3,244
Sep-17	Jun-17 to Aug-17	448.4	\$1,160,423	56	\$2,588
Oct-17	Oct-16 to Sep-17	Compliance Year 2016 RTCs can no longer be traded after August 2017			

Table IV

Three-Month Rolling Average Price Data for Compliance Year 2017 NOx RTCs
(Report to Governing Board if rolling average price greater than \$35,000/ton)

Three-Month Rolling Average Price Data for Compliance Year 2017 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
Jan-17	Oct-16 to Dec-16	41.1	\$310,586	6	\$7,561
Feb-17	Nov-16 to Jan-17	66.1	\$460,658	8	\$6,971
Mar-17	Dec-16 to Feb-17	65.0	\$452,221	7	\$6,962
Apr-17	Jan-17 to Mar-17	68.1	\$401,372	4	\$5,897
May-17	Feb-17 to Apr-17	46.6	\$272,479	6	\$5,847

Three-Month Rolling Average Price Data for Compliance Year 2017 NOx RTC					
Reporting Month	3-Month Period	Total Volume Traded with Price During Past 3-month (tons)	Total Price of Volume Traded During Past 3-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
Jun-17	Mar-17 to May-17	46.6	\$272,479	6	\$5,847
Jul-17	Apr-17 to Jun-17	24.2	\$146,430	11	\$6,051
Aug-17	May-17 to Jul-17	31.0	\$178,213	14	\$5,753
Sep-17	Jun-17 to Aug-17	36.6	\$213,292	20	\$5,828
Oct-17	Jul-17 to Sep-17	17.9	\$97,616	15	\$5,468

Table V

Twelve-Month Rolling Average Price Data for Infinite-Year Block NOx RTCs
(Report to Governing Board if rolling average price after 2018 is less than \$200,000/ton)

Twelve-Month Rolling Average Price Data for Infinite-Year NOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price (\$/ton)
May-16	May-15 to Apr-16	805.1	\$215,694,953	44	\$267,913
Jun-16	Jun-15 to May-16	781.6	\$211,669,953	44	\$270,819
Jul-16	Jul-15 to Jun-16	351.5	\$128,539,029	31	\$365,654
Aug-16	Aug-15 to Jul-16	512.9	\$166,663,599	32	\$324,943
Sep-16	Sep-15 to Aug-16	517.7	\$167,951,099	32	\$324,449
Oct-16	Oct-15 to Sep-16	441.9	\$150,586,981	30	\$340,759
Nov-16	Nov-15 to Oct-16	321.9	\$121,239,854	25	\$376,628
Dec-16	Dec-15 to Nov-16	321.9	\$121,238,354	24	\$376,638
Jan-17	Jan-16 to Dec-16	301.9	\$114,731,605	20	\$380,057
Feb-17	Feb-16 to Jan-17	183.0	\$46,520,577	10	\$254,172
Mar-17	Mar-16 to Feb-17	174.3	\$41,738,077	7	\$239,491
Apr-17	Apr-16 to Mar-17	174.3	\$41,738,077	7	\$239,491
May-17	May-16 to Apr-17	176.8	\$42,113,977	8	\$238,223
Jun-17	Jun-16 to May-17	175.3	\$41,588,977	7	\$237,266
Jul-17	Jul-16 to Jun-17	172.2	\$40,437,201	6	\$234,802
Aug-17	Aug-16 to Jul-17	10.8	\$2,311,624	4	\$213,249
Sep-17	Sep-16 to Aug-17	4.1	\$624,124	3	\$152,598
Oct-17	Oct-16 to Sep-17	4.1	\$624,124	3	\$152,598

Table VI

Twelve-Month Rolling Average Price Data for Compliance Year 2016 SOx RTCs
(Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2016 SOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-17	Jan-16 to Dec-16	16.5	\$20,700	2	\$1,255
Feb-17	Feb-16 to Jan-17	27.0	\$35,183	4	\$1,304
Mar-17	Mar-16 to Feb-17	27.5	\$35,933	5	\$1,308
Apr-17	Jan-17 to Mar-17	27.5	\$35,933	5	\$1,308
May-17	May-16 to Apr-17	17.0	\$25,433	4	\$1,498
Jun-17	Jun-16 to May-17	17.0	\$25,433	4	\$1,498
Jul-17	Jul-16 to Jun-17	17.0	\$25,433	4	\$1,498
Aug-17	Aug-16 to Jul-17	52.0	\$39,433	5	\$759
Sep-17	Sep-16 to Aug-17	46.0	\$29,233	4	\$636
Oct-17	Oct-16 to Sep-17	Compliance Year 2016 RTCs can no longer be traded after August 2017			

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

Table VII

Twelve-Month Rolling Average Price Data for Compliance Year 2017 SOx RTCs
(Report to Governing Board if rolling average price greater than \$50,000/ton)

Twelve-Month Rolling Average Price Data for Compliance Year 2017 SOx RTC					
Reporting Month	12-Month Period	Total Volume Traded with Price During Past 12-month (tons)	Total Price of Volume Traded During Past 12-month (\$)	Number of Trades with Price	Rolling Average Price ¹ (\$/ton)
Jan-17	Jan-16 to Dec-16	0	0	0	-
Feb-17	Feb-16 to Jan-17	0	0	0	-
Mar-17	Mar-16 to Feb-17	0	0	0	-
Apr-17	Jan-17 to Mar-17	0	0	0	-
May-17	May-16 to Apr-17	0	0	0	-
Jun-17	Jun-16 to May-17	0	0	0	-
Jul-17	Jul-16 to Jun-17	0	0	0	-
Aug-17	Aug-16 to Jul-17	4.0	\$4,400	1	\$1,100
Sep-17	Sep-16 to Aug-17	14.0	\$19,400	2	\$1,386
Oct-17	Oct-16 to Sep-17	14.0	\$19,400	2	\$1,386

1. District Rule 2015(b)(6) - Backstop Provisions provides additional "evaluation and review of the compliance and enforcement aspects of the RECLAIM program" if the average RTC price exceeds \$15,000 per ton.

**DISTRICT RULES AND REGULATIONS INDEX
FOR SEPTEMBER 2017 PENALTY REPORT****REGULATION II – PERMITS**

- Rule 201 Permit to Construct (*Amended 1/5/90*)
Rule 203 Permit to Operate (*Amended 1/5/90*)
Rule 222 Filing Requirements for Specific Emission Sources Not Requiring a Written permit Pursuant to Regulation II

REGULATION IV - PROHIBITIONS

- Rule 402 Nuisance (*Adopted 5/7/76*)
Rule 403 Fugitive Dust
Rule 461 Gasoline Transfer and Dispensing (*Amended 6/15/01*)

REGULATION XI - SOURCE SPECIFIC STANDARDS

- Rule 1146.2 Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers (*Adopted 1/9/98*)
Rule 1147 Nox Reductions From Miscellaneous Sources (9/08)
Rule 1151 Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations (*Amended 12/11/98*)

REGULATION XIV – TOXICS

- Rule 1415 Reduction of Refrigerant Emissions from Stationary Refrigeration and Air Conditioning Systems
Rule 1420.1 Emissions Standards for Lead from Large Lead-Acid Battery Recycling Facilities

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

- Rule 2004 Requirements (*Amended 5/11/01*)
Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions
(*Amended 5/11/01*)

REGULATION XXX - TITLE V PERMITS

- Rule 3002 Requirements (*Amended 11/14/97*)
Rule 3003 Applications (*Amended 3/16/01*)

CALIFORNIA HEALTH AND SAFETY CODE § 41700

41700	Violation of General Limitations
41954	Compliance for Control of Gasoline Vapor Emissions
41960.2	Gasoline Vapor Recovery
42401	Violation of Order for Abatement

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
General Counsel's Office**

September 2017 Settlement Penalty Report

Total Penalties

Civil Settlements:	\$188,950.00 (includes \$31,000.00 cash SEP)
SEP Value:	\$70,000.00
Self-Reported Settlements:	\$13,500.00
MSPAP Settlements:	\$29,925.00
Total Cash Settlements:	\$232,375.00
Total SEP Value:	\$70,000.00
Fiscal Year through 9 / 2017 Cash Total:	\$2,218,875.97
Fiscal Year through 9 / 2017 SEP Value Only Total:	\$1,120,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
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Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
174406	ARLON GRAPHICS LLC	2004(f)(1) 2004, 2012 2012, 2012(e)(2)(B)	9/19/2017	NAS	P62508 P64460	\$3,000.00
130924	COLOR SCIENCE INC	203(b)	9/5/2017	DH	P63856	\$11,000.00
135298 53213	MODIFIED PLASTICS	203 (b) 203(b)	9/4/2017	DH	P63854 P63855	\$11,000.00
146633	MONROVIA COLLISION CTR, HRK INDUSTRIES	1151(e)(1)	9/6/2017	BST	P65553	\$900.00
52753	OC WASTE & RECYCLING, PRIMA DESHECHA	3002, 3003 3002, 3003 3002, 3003 3002, 3003 3002, 3003	9/13/2017	KCM	P63066 P63067 P63068 P63069 P63073	\$3,750.00
69454	PRECISION AEROSPACE CORP	203(a), 203(b), 1146.2 203 (b)	9/11/2017	NAS	P61435 P62000	\$50,000.00
8547	QUEMETCO INC	1420.1 201, 3002 3002 3002 2012	9/28/2017	NSF	P49173 P52406 P61067 P61071 P64402	\$37,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
20203	RECYCLE TO CONSERVE INC.	2004	9/4/2017	SH	P57868	\$500.00
32840	ROYAL TRUCK BODY INC	3002 3003	9/26/2017	MJR	P52996	\$1,500.00
1334	SOC-CO PLASTIC COATING CO \$9000 suspended until October 2019 if facility violates District rule.	3003 3002(c)(1) 1147, 222, 3002	9/26/2017	BST	P62028 P63950 P65501	\$12,000.00
158265 163592	SUPER 8 GAS CORPORATION	203 461 203 (b)	9/29/2017	NSF	P63222 P63224 P64952	\$12,000.00
150604	SWEISS PETROL Small Claims Case No. 17VESCO6677	461(c), 41954, 41960.2	9/21/2017	JS	P61281	\$300.00
11119	THE GAS CO./ SEMPRA ENERGY	2004 2004	9/12/2017	KCM	P37244 P59394	\$10,000.00
140519	Z & R OIL COMPANY Hearing Board Case No. 5464-4	203(b), 461, 461(c)(2)(B) 403, 461		WW	P35779 P61959	\$5,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
		203 (b), 461(c), 41960.2			P61962	
		203(b), 461(c)(1)(A)			P61980	
		461(c)(2)(B)				
		42401			P61985	
		42401			P61988	
		461			P62235	
		461(c)(2)(B)			P62337	

Total Civil Settlements: \$157,950.00

Supplemental Environmental Project Settlement

20061	RAINBOW ENVIRONMENTAL SERVICES	402	9/7/2017	KCM	P61572	\$101,000.00
	Cash: \$31,000.00; SEP: \$70,000.00	41700				
	Facility's reimbursement to the District for fenced-line	42401				
					P63159	
	PM monitoring project with an expected date of May	402				
	2018	41700			P64516	

Total SEP Settlement: \$101,000.00

Self-Reported Settlements

139938	SUNSHINE GAS PRODUCERS LLC	3003	9/5/2017	SH		\$13,500.00
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Total Self-Reported Settlement: \$13,500.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
MSPAP Settlements						
178441	AGROMIN OC CHINO GREEN MATERIAL COMPOST	403	9/1/2017	GV	P65357	\$800.00
7235	ANNANDALE GOLF CLUB	203 (b), 461	9/29/2017	JS	P64125	\$2,125.00
183276	ATWOOD SALES	403(d)(1), 403(d)(2)	9/6/2017	JS	P63859	\$5,500.00
181506	BROOKDALE CHERRY HILLS	203 (a), 222	9/6/2017	JS	P59689	\$4,000.00
161083	DREAMS OIL COMPANY INC	461	9/6/2017	GC	P64964	\$500.00
176907	L & G PORTABLE CRUSHING & MATERIALS, INC	203 (a) 203 (b) 403 403(d)(2)	9/6/2017	TF	P61522	\$5,600.00
139750	NOHL RANCH MINIMART	461	9/6/2017	TF	P64971	\$850.00
85487	PASADENA AUTO WASH	461, 461(c)(2)(B), 41960.2	9/26/2017	TCF	P65025	\$550.00
37376	PEEK FAMILY COLONIAL FUNERAL HOME	203	9/6/2017	TF	P64221	\$1,000.00
108901	QWIK STOP, ALI YASIN DBA	461	9/6/2017	TF	P63221	\$750.00
177304	SUNSET FAIRFAX MOBIL	41960.2 461(c)	9/6/2017	GC	P60092	\$700.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
84273	TEVA PARENTERAL MEDICINES, INC	3002(c)(1)	9/19/2017	GV	P64073	\$850.00
178125	THE CULVER STUDIOS OWNER, LLC	203, 1415	9/19/2017	JS	P63679	\$2,000.00
183536	UNIVERSAL INTERMODAL SERVICES	403(d)(1) 403(d)(2)	9/6/2017	GV	P59542	\$1,600.00
11034	VEOLIA ENERGY LOS ANGELES, INC	2004	9/19/2017	GV	P62078	\$850.00
167392	VICTORY 76, KBC INVESTMENTS, INC.	461, 41960	9/6/2017	GV	P64916	\$650.00
178695	VIRAMONTES EXPRESS	403	9/1/2017	GV	P65358	\$800.00
121477	WEST ED	222	9/19/2017	GV	P64224	\$800.00

Total MSPAP Settlements: \$29,925.00