



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

A G E N D A

MEETING, MAY 5, 2017

A meeting of the South Coast Air Quality Management District Board will be held at 9:00 a.m., in the Auditorium at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California.

Questions About an Agenda Item

- The name and telephone number of the appropriate staff person to call for additional information or to resolve concerns is listed for each agenda item.
- In preparation for the meeting, you are encouraged to obtain whatever clarifying information may be needed to allow the Board to move expeditiously in its deliberations.

Meeting Procedures

- The public meeting of the SCAQMD Governing Board begins at 9:00 a.m. The Governing Board generally will consider items in the order listed on the agenda. However, any item may be considered in any order.
- After taking action on any agenda item not requiring a public hearing, the Board may reconsider or amend the item at any time during the meeting.

Questions About Progress of the Meeting

- During the meeting, the public may call the Clerk of the Board's Office at (909) 396-2500 for the number of the agenda item the Board is currently discussing.

The agenda and documents in the agenda packet will be made available upon request in appropriate alternative formats to assist persons with a disability. Disability-related accommodations will also be made available to allow participation in the Board meeting. Any accommodations must be requested as soon as practicable. Requests will be accommodated to the extent feasible. Please telephone the Clerk of the Boards Office at (909) 396-2500 from 7:00 a.m. to 5:30 p.m. Tuesday through Friday.

All documents (i) constituting non-exempt public records, (ii) relating to an item on the agenda, and (iii) having been distributed to at least a majority of the Governing Board after the agenda is posted, are available prior to the meeting for public review at the South Coast Air Quality Management District Clerk of the Board's Office, 21865 Copley Drive, Diamond Bar, CA 91765.

The Agenda is subject to revisions. For the latest version of agenda items herein or missing agenda items, check the District's web page (www.aqmd.gov) or contact the Clerk of the Board, (909) 396-2500. Copies of revised agendas will also be available at the Board meeting.

CALL TO ORDER

- Pledge of Allegiance
- Opening Comments: William A. Burke, Ed.D., Chair
Other Board Members
Wayne Nastri, Executive Officer
- Presentation by Dr. Anna Wu on Research Funded by Health Effects of Air Pollution Foundation

Staff/Phone (909) 396-

CONSENT CALENDAR (Items 1 through 17)

Note: Consent Calendar items held for discussion will be moved to Item No. 18

1. Approve Minutes of April 7, 2017 Board Meeting **Garzaro/2500**
2. Set Public Hearings June 2, 2017 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations **Nastri/3131**
 - A. Adopt Executive Officer's FY 2017-18 Proposed Goals and Priority Objectives, Draft Budget and Proposed Amended Regulation III – Fees **O'Kelly/2828**

The Executive Officer's Budget, Goals and Priority Objectives for FY 2017-18 have been developed and are recommended for adoption. In addition, staff is proposing amendments to Regulation III - Fees. These amendments include the following fee increases: 1) Pursuant to Rule 320, an increase of most fees by 2.5% consistent with the consumer price index; 2) A fee increase of 16% in specified fees for Title V sources in FY 2017-18 and an additional 16% in FY 2018-19; and 3) A 4% increase in specified fees for non-Title V sources for FY 2017-18 and an additional 4% increase in FY 2018-19. The fee increases have been presented at a Budget Study Session, Budget Advisory Committee meeting and at two public consultation meetings in April with recommendations and comments provided to the Board. Finally, staff recommends other proposed changes to Regulation III, which have no fee impact, but do include clarifications, deletions or corrections to existing rule language. (Reviewed: Special Governing Board Meeting/Budget Study Session, April 21, 2017)

- B. Amend Rule 1147 - NOx Reductions from Miscellaneous Sources Nakamura/3105

This item will include a staff discussion, at the request of the Stationary Source Committee, on issues raised at its April 21, 2017 Stationary Source Committee meeting regarding heated spray booth burners relative to Rule 1147.

SCAQMD staff is proposing to amend Rule 1147 to reflect the recommendations made in the Final Rule 1147 Technology Assessment. PAR 1147 would allow in-use equipment with NOx emissions less than one pound per day to defer compliance with applicable emission limits until the unit is replaced or the burner is replaced. The proposed amended rule would also increase the NOx emission limit for certain equipment categories that were identified in the Final Rule 1147 Technology Assessment and exempt new and existing equipment rated at less than 325,000 btu per hour from the emissions limits of the rule. The proposed amended rule also provides options to demonstrate compliance. Other minor changes are proposed for clarity and consistency throughout the proposed amended rule. PAR 1147 is expected to result in NOx emission reductions delay of up to 0.9 tons per day in 2017. However, the emission reductions will be recaptured starting in 2017 because the existing units will be regularly replaced and upgraded over time, leaving less than 0.03 tons per day NOx emissions reductions foregone associated with the less than 325,000 btu per hour exemption. (Reviewed: Stationary Source Committee, April 21, 2017)

Budget/Fiscal Impact

3. Execute Contract to Provide for Real-time Public Alerts of Hydrogen Sulfide Events Fine/2239

In response to natural odor events related to the Salton Sea, SCAQMD began continuous measurements of hydrogen sulfide (H₂S) at two Coachella Valley locations in November 2013. In 2016, there were 55 days when one or more of those stations exceeded the 30 parts-per-billion State 1-hour H₂S standard. While SCAQMD's real-time alerts for other pollutants are issued through the U.S. EPA EnviroFlash alert system, H₂S is not included since there is no federal H₂S standard. Staff proposes to replace the current manual notifications for Coachella Valley H₂S with an automated real-time email and text alert system, by contracting with Sonoma Technology, Inc. (STI), in order to develop an equivalent capability for H₂S. This action is to execute a contract with STI to develop and maintain a real-time alert system for H₂S in the Coachella Valley at a cost not to exceed \$78,000 from the AES Settlement Projects Fund (35). (Reviewed: Administrative Committee, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board)

4. **Execute Contract to Educate Communities in Use and Operation of Air Quality Sensors** **Miyasato/3249**

On November 4, 2016, the Board approved the execution of four contracts from Science & Technology Advancement's FY 2016-17 Budget to participate in U.S. EPA's Science to Achieve Results Grant project. Three contractors have already executed agreements. This action is to execute a contract with Comite Civico Del Valle, Inc., as the fourth contractor in an amount not to exceed \$82,500 from Science & Technology Advancement's FY 2016-17 and/or 2017-18 Budget to educate community members in the use and operation of air quality sensors. (Reviewed: Technology Committee, April 21, 2017; Recommended for Approval)

5. **Execute Contract to Develop High Efficiency Near-Zero Emission Natural Gas Engines for Heavy-Duty Vehicles** **Miyasato/3249**

In December 2016, the CEC released a competitive solicitation to fund development of advanced natural gas engine technology capable of reducing the efficiency gap between heavy-duty natural gas engines and equivalent diesel engines. The CEC received five responses to the solicitation and recommended three grant awards, one of which was to North American Repower, LLC (NAR). Staff proposes to cost-share this project, along with the Southern California Gas Company who will be contracting directly with NAR. This action is to execute a contract with NAR to develop a high efficiency near-zero emission heavy-duty natural gas engine in an amount not to exceed \$200,000 from the Clean Fuels Fund (31). (Reviewed: Technology Committee, April 21, 2017; Recommended for Approval)

6. **Approve Awards for Electric School Buses** **Minassian/2641**

At its December 2, 2016 meeting, the Board issued a Program Announcement to solicit applications for electric school buses. This action is to approve awards for 33 electric school buses and associated charging infrastructure in an amount not to exceed \$8,844,000 from the Carl Moyer Program AB 923 Fund (80). (Reviewed: Technology Committee, April 21, 2017; Recommended for Approval)

7. **Extend Contract for Media, Advertising and Public Outreach for 2017-18 Check Before You Burn Program** **Atwood/3687**

On July 8, 2016, the Board awarded a contract to Westbound Communications for \$246,000 to plan and execute a comprehensive media, advertising and public outreach campaign for the 2016-17 Check Before You Burn program. The existing contract with the firm will expire on June 30, 2017. This action is to extend the contract with Westbound Communications for \$246,000 for one additional year. The contract will be executed from the Rule 1309.1 Priority Reserve Fund (36). A separate contract will be proposed at a later date for advertising with Google, Inc. to promote the 2017-18 Check Before You Burn campaign. (Reviewed: Administrative Committee, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board)

8. Amend Contracts to Provide Short- and Long-Term Systems Development, Maintenance and Support Services **O'Kelly/2828**

SCAQMD currently has contracts with several companies for short- and long-term systems development, maintenance and support services. These contracts are periodically amended as additional needs are defined. This action is to amend two contracts previously approved by the Board to add additional funding for needed development and maintenance work. (Reviewed: Administrative Committee, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board)

9. Approve Maximum Support Level Expenditures for Board Member Assistants and Board Member Consultants for FY 2017-18 **O'Kelly/2828**

The Board Member Assistant and Board Member Consultant compensation is proposed to be amended to adjust the compensation level that the SCAQMD may make per Board Member, per fiscal year, based on the Board-approved assignment-of-points methodology. The points are calculated based on criteria such as the level of complexity, number of meetings and role (Chair/Vice-Chair). (Reviewed: Administrative Committee, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board)

10. Appropriate Funds from Undesignated Fund Balance and Authorize Amending Contract with Consulting Expert **Wiese/3460**

The Legal Office requires an expert to assist with matters before the Hearing Board regarding the Torrance refinery, developing refinery rules, testimony and presentations related to refineries and rules. Bastleford Engineering and Consultancy Ltd currently has a \$50,000 contract with SCAQMD. This action is to appropriate \$110,000 from the Undesignated (Unassigned) Fund Balance to the Legal budget, Services and Supplies Major Object, Professional and Special Services, and to authorize the Chairman or the Executive Officer to amend the contract in an amount not to exceed \$170,000. The additional \$10,000 will be funded with a budget transfer from the Planning, Rule Development and Area Sources Office. (Reviewed: Administrative Committee, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board)

Items 11 through 17 - Information Only/Receive and File

11. Legislative, Public Affairs and Media Report **Alatorre/3122**

This report highlights the March 2017 outreach activities of Legislative, Public Affairs and Media, which include: Environmental Justice Update, Community Events/Public Meetings, Business Assistance, Media Relations, and Outreach to Business, Federal, State, and Local Government. (No Committee Review)

12. **Hearing Board Report** **Camarena/2500**

This reports the actions taken by the Hearing Board during the period of March 1 through March 31, 2017. (No Committee Review)

13. **Civil Filings and Civil Penalties Report** **Wiese/3460**

This reports the monthly penalties from March 1 through March 31, 2017, and legal actions filed by the General Counsel's Office from March 1 through March 31, 2017. An Index of District Rules is attached with the penalty report. (Reviewed: Stationary Source Committee, April 21, 2017)

14. **Lead Agency Projects and Environmental Documents Received by SCAQMD** **Nakamura/3105**

This report provides, for the Board's consideration, a listing of CEQA documents received by the SCAQMD between March 1, 2017 and March 31, 2017, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA. (No Committee Review)

15. **Rule and Control Measure Forecast** **Fine/2239**

This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for the year 2017. (No Committee Review)

16. **Report of RFPs Scheduled for Release in May** **O'Kelly/2828**

This report summarizes the RFPs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of May. (Reviewed: Administrative Committee, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board)

17. **Status Report on Major Ongoing and Upcoming Projects for Information Management** **O'Kelly/2828**

Information Management is responsible for data systems management services in support of all SCAQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects. (Reviewed: Administrative Committee, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board)

18. **Items Deferred from Consent Calendar**

BOARD CALENDAR

Note: The April meeting of the Mobile Source Committee was canceled. The next meeting is scheduled for May 19, 2017.

19. Administrative Committee (Receive & File) **Chair: Burke Nastri/3131**

20. Legislative Committee **Chair: Mitchell Alatorre/3122**

Receive and file; and take the following actions as recommended:

Agenda Item	Recommendation
AB 1014 (Cooper) Diesel backup generators: health facility	Support
SB 49 (De Leon) California Environmental, Public Health, And Workers Defense Act of 2017	None
H.R. 1090 (Reed) Technologies for Energy Security Act of 2017	Support
Proposed Legislation for Approval (Fleet Rules)	Continued to May 12, 2017 Meeting
Proposed Legislative Action for Approval (Toxic Air Monitoring Funding)	Approve

21. Refinery Committee (Receive & File) **Chair: Parker Fine/2239**

22. Stationary Source Committee (Receive & File) **Chair: Benoit Tisopulos/3123**

23. Technology Committee (Receive & File) **Chair: Buscaino Miyasato/3249**

24. California Air Resources Board Monthly Report (Receive & File) **Board Rep: Mitchell Garzaro/2500**

Staff Presentation/Board Discussion

25. Status Report on Permit Backlog Reduction Effort **Tisopulos/3123**
(Presentation in lieu of Board Letter)

Staff will provide an update on the permit application backlog reduction efforts to date. (No Committee Review)

26. Report on Feasible Target Dates for Sunsetting RECLAIM Program Fine/2239

At the March 3, 2017 Board meeting, staff was directed to modify the 2016 AQMP NOx RECLAIM control measure CMB-05 to achieve the five (5) tons per day NOx emission reduction commitment as soon as feasible, but no later than 2025. In addition, staff was directed to transition the RECLAIM program to a command and control regulatory structure requiring Best Available Retrofit Control Technology level controls as soon as practicable, and return in 60 days to report on feasible target dates for sunsetting the RECLAIM program. This item provides staff's initial considerations and suggestions for feasible sunset dates for the RECLAIM program. (No Committee Review)

PUBLIC HEARING

27. Amend Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II and Amend Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II Nakamura/3105

PAR 219 will exempt certain categories of equipment from the requirement to obtain a written permit and remove existing exemptions for equipment that the SCAQMD has learned may not be able to demonstrate compliance with all SCAQMD rules, and will also provide clarification for sources or processes currently covered under Rule 219. PAR 222 will add additional categories to the streamlined filing/registration program of Rule 222. Both proposed amendments will further facilitate the streamlining of the District's permitting system. This action is to adopt the resolution: 1) Determining the proposed amendments to Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II, and Rule 222 - Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II, are exempt from requirements of the California Environmental Quality Act; 2) Amending Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II; and 3) Amending Rule 222 - Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II. (Reviewed: Stationary Source Committee, March 17 and April 21, 2017)

PUBLIC COMMENT PERIOD – (Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3)

BOARD MEMBER TRAVEL – (No Written Material)

Board member travel reports have been filed with the Clerk of the Boards, and copies are available upon request.

CONFLICT OF INTEREST DISCLOSURES – (No Written Material)

Under the approval authority of the Executive Officer, the District will enter into contracts with University of California, Riverside CE-CERT (Contract No. C17314) and American Honda Motor Company (Contract No. C17343). The District will also enter into a contract modification with UCR Forecast LLC (Contract No. C172281). The contractors are potential sources of income for Governing Board Member Joseph Lyou, which qualify for the remote interest exception of Section 1090 of the California Government Code. Dr. Lyou abstained from any participation in the making of the contracts and contract modification.

CLOSED SESSION - (No Written Material)

Wiese/3460

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

It is necessary for the Board to recess to closed session pursuant to Government Code sections 54956.9(a) and 54956.9(d)(1) to confer with its counsel regarding pending litigation which has been initiated formally and to which the SCAQMD is a party. The actions are:

- Aerocraft Heat Treating Co., Inc. v. SCAQMD, Los Angeles Superior Court Case No. TC028725;
- SCAQMD v. Anaplex, Los Angeles Superior Court Case No. BC608322 (Paramount Hexavalent Chromium);
- In the Matter of SCAQMD v. Aerocraft Heat Treating Co., Inc. and Anaplex Corp., SCAQMD Hearing Board Case No. 6066-1 (Order for Abatement);
- Bahr v. U.S. EPA, United States Court of Appeals, Ninth Circuit, Case No. 14-72327;
- In the Matter of SCAQMD v. Browning-Ferris Industries of California, Inc. dba Sunshine Canyon Landfill, Hearing Board Case No. 3448-14;
- Communities for a Better Environment v. SCAQMD, Los Angeles Superior Court Case No. BS153472 (Phillips 66);
- Communities for a Better Environment v. SCAQMD, Los Angeles Superior Court Case No. BS161399 (RECLAIM);
- People of the State of California, ex rel SCAQMD v. Exide Technologies, Inc., Los Angeles Superior Court Case No. BC533528;
- In the Matter of SCAQMD v. Exide Technologies, Inc., SCAQMD Hearing Board Case No. 3151-29 (Order for Abatement);
- In re: Exide Technologies, Inc., U.S. Bankruptcy Court, District of Delaware, Case No. 13-11482 (KJC) (Bankruptcy case);
- In the Matter of SCAQMD v. Torrance Refining Company, LLC, SCAQMD Hearing Board Case No. 6060-5 (Order for Abatement); and
- Fast Lane Transportation, Inc. et al. v. City of Los Angeles, et al., Contra Costa County Superior Court Case No. MSN14-0300 (formerly South Coast Air Quality Management District v. City of Los Angeles, et al., Los Angeles Superior Court Case No. BS 143381) (SCIG).

ADJOURNMENT

*****PUBLIC COMMENTS*****

Members of the public are afforded an opportunity to speak on any listed item before or during consideration of that item. Please notify the Clerk of the Board, (909) 396-2500, if you wish to do so. All agendas are posted at SCAQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the meeting. At the end of the agenda, an opportunity is also provided for the public to speak on any subject within the SCAQMD's authority. Speakers may be limited to three (3) minutes each.

Note that on items listed on the Consent Calendar and the balance of the agenda any motion, including action, can be taken (consideration is not limited to listed recommended actions). Additional matters can be added and action taken by two-thirds vote, or in the case of an emergency, by a majority vote. Matters raised under Public Comments may not be acted upon at that meeting other than as provided above.

Written comments will be accepted by the Board and made part of the record, provided 25 copies are presented to the Clerk of the Board. Electronic submittals to cob@aqmd.gov of 10 pages or less including attachment, in MS WORD, plain or HTML format will also be accepted by the Board and made part of the record if received no later than 5:00 p.m., on the Tuesday prior to the Board meeting.

ACRONYMS

AQ-SPEC = Air Quality Sensor Performance Evaluation Center	NGV = Natural Gas Vehicle
AQIP = Air Quality Investment Program	NOx = Oxides of Nitrogen
AQMP = Air Quality Management Plan	NSPS = New Source Performance Standards
AVR = Average Vehicle Ridership	NSR = New Source Review
BACT = Best Available Control Technology	OEHHA = Office of Environmental Health Hazard Assessment
Cal/EPA = California Environmental Protection Agency	PAMS = Photochemical Assessment Monitoring Stations
CARB = California Air Resources Board	PAR = Proposed Amended Rule
CEMS = Continuous Emissions Monitoring Systems	PEV = Plug-In Electric Vehicle
CEC = California Energy Commission	PHEV = Plug-In Hybrid Electric Vehicle
CEQA = California Environmental Quality Act	PM10 = Particulate Matter ≤ 10 microns
CE-CERT =College of Engineering-Center for Environmental Research and Technology	PM2.5 = Particulate Matter ≤ 2.5 microns
CNG = Compressed Natural Gas	PR = Proposed Rule
CO = Carbon Monoxide	RECLAIM=Regional Clean Air Incentives Market
CTG = Control Techniques Guideline	RFP = Request for Proposals
DOE = Department of Energy	RFQ = Request for Quotations
EV = Electric Vehicle	SCAG = Southern California Association of Governments
FY = Fiscal Year	SIP = State Implementation Plan
GHG = Greenhouse Gas	SOx = Oxides of Sulfur
HRA = Health Risk Assessment	SOON = Surplus Off-Road Opt-In for NOx
LEV = Low Emission Vehicle	SULEV = Super Ultra Low Emission Vehicle
LNG = Liquefied Natural Gas	TCM = Transportation Control Measure
MATES = Multiple Air Toxics Exposure Study	ULEV = Ultra Low Emission Vehicle
MOU = Memorandum of Understanding	U.S. EPA = United States Environmental Protection Agency
MSERCs = Mobile Source Emission Reduction Credits	VOC = Volatile Organic Compound
MSRC = Mobile Source (Air Pollution Reduction) Review Committee	ZEV = Zero Emission Vehicle
NATTS =National Air Toxics Trends Station	
NESHAPS = National Emission Standards for Hazardous Air Pollutants	

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BOARD MEETING DATE: May 5, 2017

AGENDA NO. 1

MINUTES: Governing Board Monthly Meeting

SYNOPSIS: Attached are the Minutes of the April 7, 2017 meeting.

RECOMMENDED ACTION:

Approve Minutes of the April 7, 2017 Board Meeting.

Denise Garzaro,
Clerk of the Boards

DG

FRIDAY, APRIL 7, 2017

Notice having been duly given, the regular meeting of the South Coast Air Quality Management District Board was held at District Headquarters, 21865 Copley Drive, Diamond Bar, California. Members present:

William A. Burke, Ed.D., Chairman
Speaker of the Assembly Appointee

Mayor Pro Tem Ben Benoit, Vice Chairman
Cities of Riverside County

Supervisor Marion Ashley
County of Riverside

Council Member Joe Buscaino (Arrived at 9:20 a.m.)
City of Los Angeles

Mayor Michael A. Cacciotti
Cities of Los Angeles County – Eastern Region

Supervisor Sheila Kuehl
County of Los Angeles

Dr. Joseph K. Lyou
Governor's Appointee

Mayor Pro Tem Larry McCallon
Cities of San Bernardino County

Supervisor Shawn Nelson
County of Orange

Dr. Clark E. Parker, Sr.
Senate Rules Committee Appointee

Council Member Dwight Robinson
Cities of Orange County

Supervisor Janice Rutherford
County of San Bernardino

Member absent:

Council Member Judith Mitchell
Cities of Los Angeles County – Western Region

CALL TO ORDER: Chairman Burke called the meeting to order at 9:05 a.m.

- Pledge of Allegiance: Led by Mayor Pro Tem Benoit.
- Opening Comments

Dr. Parker. Reported that on a recent visit to Washington, D.C. he had many productive meetings with Senators and representatives from industry about a number of key issues that impact the South Coast region.

Dr. Lyou. Noted that the Legislature passed SB 1 on April 6, 2017 which prohibits new regulations for in-use trucks for many years, and asked staff to add a discussion item regarding this matter to the agenda of a future meeting to address the implications of this legislation on meeting federal and state air quality standards.

Chairman Burke. Announced that the Refinery Committee met in Torrance on April 1, 2017 to discuss the Torrance Refinery's use of hydrofluoric acid, and noted that the meeting was continued to April 8, 2017 to accept public comment on the matter.

- Presentation of Retirement Awards to Zeyda Turner, Shalini George and Ranji George

Mayor Pro Tem Benoit presented retirement awards to Ranji George, Program Supervisor in Science and Technology Advancement, in recognition of over 30 years of dedicated District service; Shalini George, Air Quality Specialist, in recognition of over 31 years of dedicated District service; and Zeyda Turner, Computer Operations Supervisor, in recognition of over 40 years of dedicated District service.

(Councilmember Buscaino arrived at 9:20 a.m.)

CONSENT CALENDAR

1. Approve Minutes of March 3, 2017 Board Meeting
2. Set Public Hearing May 5, 2017 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations

Amend Rule 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II and Amend Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II

Budget/Fiscal Impact

3. Recognize Revenue and Execute Contract to Develop and Evaluate Aftertreatment Systems for Large Displacement Diesel Engines
4. Recognize Revenue and Execute Contracts to Demonstrate Zero and Near-Zero Emission Drayage Trucks and Cargo Handling Equipment
5. Execute Contracts to Conduct 2017 Leaf Blower Exchange Program
6. Adopt Resolution Recognizing Funds and Accepting Terms and Conditions for FY 2016-17 Carl Moyer Program Award and Issue Program Announcements for Carl Moyer Program and SOON Provision
7. Execute Contract for Independent Audit Services for FYs Ending June 30, 2017, 2018 and 2019
8. Approve Transfer of Monies from Health Effects Research Fund to Brain & Lung Tumor and Air Pollution Foundation
9. Authorize Purchase of Maintenance and Support Services for Servers and Storage Devices
10. Remove Various Fixed Assets from SCAQMD Inventory
11. Approve Contract Award and Modification Approved by MSRC

Items 12 through 17 - Information Only/Receive and File

12. Legislative, Public Affairs and Media Report
13. Hearing Board Report
14. Civil Filing and Civil Penalties Report
15. Lead Agency Projects and Environmental Documents Received by SCAQMD

16. Rule and Control Measure Forecast
17. Status Report on Major Ongoing and Upcoming Projects for Information Management

Dr. Lyou announced his abstention on Item No. 4 because Clean Energy and Cummins Westport are potential sources of income to him; and on Item No. 11 because Los Angeles Metropolitan Transportation Authority is a potential source of income to him.

Supervisor Rutherford announced her abstention on Item No. 5 due to potential conflicts of interest.

Supervisor Nelson announced that he serves on the Board of Directors for the Orange County Transportation Authority which is involved with Item No. 11.

Supervisor Kuehl announced that she serves on the Board of Directors for the Los Angeles County Metropolitan Transportation Authority which is involved with Item No. 11.

Agenda Item 2 was withheld for comment.

18. Items Deferred from Consent Calendar

2. Set Public Hearing May 5, 2017 to Consider Adoption of and/or Amendments to SCAQMD Rules and Regulations

Amend Rule 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II and Amend Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II

Rita Loof, RadTech International, expressed concern regarding newly revised language for PAR 219 which will be burdensome on small businesses in the printing and coating industry by requiring they provide an additional annual report to the District for materials that contain 50 grams or less of VOC per liter. These facilities already keep records pursuant to Rule 109 and would now have to submit a new report for approval.

Dr. Philip Fine, DEO/Planning, Rule Development and Area Sources, explained that the language was revised at the direction of the Stationary Source Committee to provide additional flexibility, however, there is no new record keeping requirement in the rule. He added that the PAR will be returning to the Stationary Source Committee for review at the April 21, 2017 meeting to address any outstanding issues.

Ms. Loof stated that the rule, as proposed, does place additional requirements and costs on small businesses.

Mr. Nastri suggested that discussion regarding the merits of the proposed amendments be directed to the Stationary Source Committee as the current agenda item is simply to set the matter for public hearing at the May 5 Board Meeting.

MOVED BY PARKER, SECONDED BY CACCIOTTI, AGENDA ITEMS 1 THROUGH 17 APPROVED AS RECOMMENDED, ADOPTING RESOLUTION NO. 17-7 RECOGNIZING FUNDS AND ACCEPTING THE TERMS AND CONDITIONS OF THE FY 2016-17 CARL MOYER GRANT AWARD, BY THE FOLLOWING VOTE:

AYES: Ashley, Benoit, Burke, Buscaino, Cacciotti, Kuehl, Lyou (*except Item #4 and #11*), McCallon, Nelson, Parker, Robinson and Rutherford (*except Item #5*)

NOES: None

ABSTAIN: Lyou (*Item #4 and #11*) and Rutherford (*Item #5*)

ABSENT: Mitchell

BOARD CALENDAR

19. Administrative Committee
20. Legislative Committee
21. Mobile Source Committee
22. Stationary Source Committee
23. Technology Committee

24. Mobile Source Air Pollution Reduction Review Committee

25. California Air Resources Board Monthly Report

MOVED BY BENOIT, SECONDED BY PARKER, AGENDA ITEMS 19 THROUGH 25, APPROVED AS RECOMMENDED, RECEIVING AND FILING THE COMMITTEE, MSRC AND CARB REPORTS AND APPROVING THE FOLLOWING POSITIONS ON LEGISLATION, BY THE FOLLOWING VOTE:

AYES: Ashley, Benoit, Burke, Buscaino, Cacciotti, Kuehl, Lyou, McCallon, Nelson, Parker, Robinson and Rutherford

NOES: None

ABSENT: Mitchell

Agenda Item	Recommendation
AB 582 (C. Garcia) Vehicles: emissions: surveillance	Support with Amendments
AB 615 (Cooper) Air Quality Improvement Program: Clean Vehicle Rebate Project	Support
AB 1081 (Burke) Sales and use taxes: exclusion: low-emission motor vehicle: trade-in	Support with Amendments
AB 1083 (Burke) Transportation electrification: electric vehicle charging infrastructure: state parks and beaches	Support
SB 174 (Lara) Diesel-fueled vehicles: registration	Support with Amendments
Proposed Policy Principles Regarding Amendments to Greenhouse Gas Funding and/or Reauthorization Legislation	Approve

Staff Presentation/Board Discussion

26. Presentation of Action Plan for High-Risk Emitters of Toxic Air Contaminants

Kurt Wiese, General Counsel, presented information regarding the monitoring and enforcement of hexavalent chrome facilities in the City of Paramount, as well as the implementation of a Community Air Toxics Initiative that will extend beyond the City of Paramount.

In response to Chairman Burke's question regarding the cost of monitoring for hexavalent chromium, staff confirmed that the cost for a single monitor and the required analysis is approximately \$3,000 per week.

Chairman Burke expressed a concern that was conveyed to him that something in the Paramount area is causing runny noses and watering eyes, and asked staff to look into what the cause of these issues could be.

Supervisor Kuehl spoke about the negative health effects associated with air pollution and the importance of locating the sources of the emissions.

In response to Dr. Parker's inquiry regarding what have we learned regarding processing certain metals and the generation of hexavalent chromium, Susan Nakamura, Assistant DEO/Planning, Rule Development and Area Sources, commented that what staff found at Aerocraft is that when you heat treat high chrome alloys such as stainless steel, hexavalent chromium can be created. She added that in conjunction with their other efforts, staff has begun the development process for a rule to address hexavalent chromium emissions from heat treating operations.

Dr. Parker stressed the importance for immediate protection of public health when a matter of this magnitude is discovered. He added that legislation is necessary to ensure that swift action can be taken to curtail emissions in the future.

Mr. Wiese explained that the District obtained Orders for Abatement to address the two known sources in Paramount which resulted in significant emission reductions.

Mr. Nastri added that staff is performing extensive outreach to educate industry on actions they might take to minimize emissions, including closing doors, installing physical barriers, and/or installing control equipment. With regard to authority, he noted that the legislation to grant emergency enforcement authority to the Executive Officer is moving forward.

Dr. Lyou noted that it took two months to obtain emission reductions in Paramount and stressed the importance of conveying that information to the legislature regarding the effort to give emergency enforcement authority to the Executive Officer. He added that the risk reduction plan process is too lengthy and could cause a delay in implementing measures necessary to protect public health.

Dr. Fine explained that Rule 1402 was amended last year to streamline the process of implementing risk reduction plans. He added that there is also a requirement for facilities that pose a significant risk to submit an early risk reduction plan and implement those measures in a timely manner.

Dr. Lyou expressed support for the Air Toxics Initiative, and highlighted the importance of obtaining community input to identify potential problem facilities and areas of concern.

Mr. Nastri noted that community input played an important role in the investigation in the City of Paramount. He added that staff plans to continue similar community outreach and communication efforts as were utilized in this instance in the future.

Supervisor Kuehl asked staff to comment on the relationship between the various cities and SCAQMD in terms of the potential to receive notification when certain types of facilities begin doing business in a particular municipality.

Derrick Alatorre, DEO/Legislative, Public Affairs/Media Office, explained that staff has been performing outreach to local municipalities, Council of Governments and trade associations to inform them of the District's programs.

Mr. Nastri explained that the City of Paramount utilizes a self-certification process for business licensing, so when a business applies for a license, they certify whether or not they need an SCAQMD permit and there is no verification of that information. Staff has requested to receive notification from the City of Paramount for all of the businesses who indicate they are not subject to an SCAQMD permit.

Supervisor Kuehl highlighted the importance of taking a proactive approach to addressing issues of this magnitude in the future, and acknowledged that while it would be a large undertaking, coordinating business licensing efforts with all cities in the Basin should be a long-term goal.

Councilman Robinson confirmed the importance of inter-agency collaboration in the effort to receive advanced information regarding businesses, and acknowledged the importance of outreach efforts to educate trade associations and the business community.

Mr. Nastri highlighted the coordination effort that took place with multiple agencies during the investigation into the sources of elevated emissions in Paramount and explained that this effort would be a model going forward.

Chairman Burke noted that with the increased use of digital recordkeeping, it should be a fairly straightforward process to be able to request licensing records from municipalities within the District in an effort to locate businesses that previously would not have come to the attention of the District.

Dr. Parker suggested a system by which applicants of building permits would be required to have authorization from SCAQMD on their permit application before submitting to their municipality. He stressed the importance of creating the system in such a way that it does not lead to a backlog of applicants.

Mayor Pro Tem Benoit suggested the potential to utilize a consultant specifically focused on locating specific businesses within the region. Chairman Burke supported that suggestion.

Mr. Nastri noted that in addition to hexavalent chromium, facilities that emit various other toxic emissions will also be included in the Action Plan and gathering all of those records will be an extensive undertaking.

Harvey Eder, Public Solar Power Coalition, addressed the Board on Item No. 26 speaking about the hazards of toxics including NO_x, PM_{2.5}, benzene and formaldehyde.

INFORMATION ONLY; NO ACTION NECESSARY.

PUBLIC COMMENT PERIOD – (Public Comment on Non-Agenda Items, Pursuant to Government Code Section 54954.3)

Harvey Eder, Public Solar Power Coalition, stressed the urgency for conversion to solar-power.

Ranji George spoke about the importance of urging CARB to utilize Volkswagen settlement funds to support hydrogen fuel cell vehicle technology.

Dr. Lyou noted that he had received an invitation from Toyota to attend a demonstration of a heavy-duty fuel cell truck on April 21 in Wilmington.

Florence Gharibian, Del Amo Action Committee, expressed appreciation to staff and the Board for holding the Special Refinery Committee meeting in Torrance on April 1, 2017 regarding the Torrance Refinery, and noted concerns with the dangers associated with hydrofluoric acid. She added that she recently had concerns regarding chemicals at the Montrose Chemical Plant in the Harbor Gateway area and explained the difficulties she faced in getting her concerns investigated. She noted that ultimately, she was able to get Los Angeles County Public Health and SCAQMD staff to respond and operations at the facility were shut down.

CLOSED SESSION

The Board recessed to closed session at 11:15 a.m., pursuant to Government Code sections:

- 54956.9(a) and 54956.9(d)(1) to confer with its counsel regarding pending litigation which has been initiated formally and to which the SCAQMD is a party. The actions are:

People of the State of California, ex rel SCAQMD v. Exide Technologies, Inc., Los Angeles Superior Court Case No. BC533528;

In the Matter of SCAQMD v. Exide Technologies, Inc., SCAQMD Hearing Board Case No. 3151-29 (Order for Abatement); and

In re: Exide Technologies, Inc., U.S. Bankruptcy Court, District of Delaware, Case No. 13-11482 (KJC) (Bankruptcy case).

- 54956.9(d)(2) due to significant exposure to litigation (one case) based on the following facts and circumstances: A request by the Port of Los Angeles and Port of Long Beach for a tolling and standstill agreement regarding the Board's adoption of MOB-01, in a letter dated March 17, 2017.

Following closed session, General Counsel Kurt Wiese announced that a report of any reportable actions taken in closed session will be filed with the Clerk of the Board's office and made available to the public upon request.¹

¹ There were no reportable actions taken in Closed Session, as such, there is no report on file with the Clerk of the Board's office.

ADJOURNMENT

There being no further business, the meeting was adjourned by Kurt Wiese at 11:55 a.m.

The foregoing is a true statement of the proceedings held by the South Coast Air Quality Management District Board on April 7, 2017.

Respectfully Submitted,

Denise Garzaro
Clerk of the Boards

Date Minutes Approved: _____

Dr. William A. Burke, Chairman

ACRONYMS

AQMP = Air Quality Management Plan
CARB = California Air Resources Board
CEQA = California Environmental Quality Act
DEO = Deputy Executive Officer
EV = Electric Vehicle
FY = Fiscal Year
MSRC = Mobile Source (Air Pollution Reduction) Review Committee
NOx = Oxides of Nitrogen
PAR = Proposed Amended Rule
PM = Particulate Matter
RFP = Request for Proposals
RRP = Risk Reduction Plan
U.S. EPA = United States Environmental Protection Agency
VOC = Volatile Organic Compound

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 2

PROPOSAL: Set Public Hearings June 2, 2017 to:

(A) Adopt Executive Officer's FY 2017-18 Proposed Goals and Priority Objectives, Draft Budget and Proposed Amended Regulation III – Fees

The Executive Officer's Budget, Goals and Priority Objectives for FY 2017-18 have been developed and are recommended for adoption. In addition, staff is proposing amendments to Regulation III - Fees. These amendments include the following fee increases: 1) Pursuant to Rule 320, an increase of most fees by 2.5% consistent with the consumer price index; 2) A fee increase of 16% in specified fees for Title V sources in FY 2017-18 and an additional 16% in FY 2018-19; and 3) A 4% increase in specified fees for non-Title V sources for FY 2017-18 and an additional 4% increase in FY 2018-19. The fee increases have been presented at a Budget Study Session, Budget Advisory Committee meeting and at two public consultation meetings in April with recommendations and comments provided to the Board. Finally, staff recommends other proposed changes to Regulation III, which have no fee impact, but do include clarifications, deletions or corrections to existing rule language. (Reviewed: Special Governing Board Meeting/Budget Study Session, April 21, 2017)

(B) Amend Rule 1147 - NOx Reductions from Miscellaneous Sources

SCAQMD staff is proposing to amend Rule 1147 to reflect the recommendations made in the Final Rule 1147 Technology Assessment. PAR 1147 would allow in-use equipment with NOx emissions less than one pound per day to defer compliance with applicable emission limits until the unit is replaced or the burner is replaced. The proposed amended rule would also increase the NOx emission limit for certain equipment categories that were identified in the Final Rule 1147 Technology Assessment and exempt new and existing equipment rated at less than 325,000 btu per hour from the emissions limits of the rule. The proposed amended rule also provides options to demonstrate compliance. Other minor changes are proposed for clarity and consistency throughout the proposed

amended rule. PAR 1147 is expected to result in NOx emission reductions delay of up to 0.9 tons per day in 2017. However, the emission reductions will be recaptured starting in 2017 because the existing units will be regularly replaced and upgraded over time, leaving less than 0.03 tons per day NOx emissions reductions foregone associated with the less than 325,000 btu per hour exemption. (Reviewed: Stationary Source Committee, April 21, 2017)

The complete text of the proposed amendments, staff report and other supporting documents were made available through the District's Public Information Center, (909) 396-2550 and on the Internet (www.aqmd.gov) as of May 3, 2017.

RECOMMENDED ACTION:

Set Public Hearings June 2, 2017 to adopt the Executive Officer's Budget, Goals & Priority Objectives for FY 2017-18, and amend Regulation III and Rule 1147.

Wayne Natri
Executive Officer

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BOARD MEETING DATE: May 5, 2017

AGENDA NO. 3

PROPOSAL: Execute Contract to Provide for Real-time Public Alerts of Hydrogen Sulfide Events

SYNOPSIS: In response to natural odor events related to the Salton Sea, SCAQMD began continuous measurements of hydrogen sulfide (H₂S) at two Coachella Valley locations in November 2013. In 2016, there were 55 days when one or more of those stations exceeded the 30 parts-per-billion State 1-hour H₂S standard. While SCAQMD's real-time alerts for other pollutants are issued through the U.S. EPA EnviroFlash alert system, H₂S is not included since there is no federal H₂S standard. Staff proposes to replace the current manual notifications for Coachella Valley H₂S with an automated real-time email and text alert system, by contracting with Sonoma Technology, Inc. (STI), in order to develop an equivalent capability for H₂S. This action is to execute a contract with STI to develop and maintain a real-time alert system for H₂S in the Coachella Valley at a cost not to exceed \$78,000 from the AES Settlement Projects Fund (35).

COMMITTEE: Administrative, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board.

RECOMMENDED ACTION:

Authorize the Executive Officer to execute a sole-source contract with Sonoma Technology, Inc. at an initial cost not to exceed \$33,000 with an option to renew the annual operation support at an annual cost not to exceed \$15,000 in each of the next three years for a total of \$78,000 over four years from the AES Settlement Projects Fund (35), to implement a public alert system to provide automated alerts for H₂S.

Wayne Nastri
Executive Officer

Background

A significant odor event occurred in September 2012, bringing widespread attention to the issue of hydrogen sulfide (H₂S) odors from the Salton Sea. During that event, sulfur or rotten egg odors were experienced throughout the Coachella Valley and across the South Coast Air Basin. In 2013, SCAQMD started continuous H₂S measurements at two locations in the Coachella Valley to improve our understanding of the processes that lead to odors and to better communicate odor events to the public.

H₂S is a product of anaerobic organic decay at the bottom of the shallow Salton Sea that occurs throughout the year, but is especially active in the summer months with the abundant desert sunlight and heat. Shifting winds cause H₂S to be released from the Salton Sea and transported to the Coachella Valley communities. While severe events like that of September 2012 are uncommon, less-extreme releases of H₂S frequently cause odors in areas near the Salton Sea. In each of the last three years, between 27 and 55 days exceeded the 30 parts-per-billion California State H₂S standard was exceeded between 27 and 55 days at one or more stations in the Coachella Valley. SCAQMD staff has been sending manual notifications to Coachella Valley subscribers after these events occur.

For our “Air Alerts” public messaging system, SCAQMD utilizes the U.S. EPA AirNow/EnviroFlash system for automated real-time public alerts via email, text or Twitter, when pollutant levels exceed the National Ambient Air Quality Standards (NAAQS). These alerts can be requested by the subscriber at different threshold levels and by monitoring location. H₂S is not a federal “criteria” pollutant, that is, associated with a NAAQS, thus it is not included in the federal EnviroFlash system. This effort is to develop additional software capabilities for a real-time H₂S alerting system, including operational support and web interfaces for subscribers and administration.

Proposal

Staff proposes a sole-source contract with Sonoma Technology, Inc. (STI), the contractor responsible for the development and operation of the U.S. EPA AirNow and EnviroFlash program, for the development, execution and maintenance of a real-time alert system for H₂S. The automated alerts will be available via email, text message, or via Twitter, with subscriber signups through a web interface. This system will be expandable if other stations are added to the SCAQMD’s H₂S monitoring program. The initial cost will not exceed \$33,000 with an option to renew the annual operation support at an annual cost not to exceed \$15,000 in each of the next three years for a total of \$78,000 over four years. The system will also be expandable for other pollutants at an additional cost, for example, for real-time public alerts from community or facility monitoring projects. By working directly with the AirNow/EnviroFlash contractor, portions of the existing system can be leveraged, including the real-time data ingest and processing capability.

AES Settlement Project Funds (35) recommended for funding this effort are not restricted by applicable statutes or the settlement agreement; however, in the past the Board restricted the use of these funds for fleet rules. With Board approval, AES Settlement Project funds can be directed to other projects.

Sole Source Justification

Section VIII, B.2 of the Procurement Policy and Procedure identifies four major provisions under which a sole-source award may be justified for non-federally funded procurement.

The request for a sole-source contract for the development and operational support of a real-time H2S alert system is made under Section VIII, B.2.c.1 of the Procurement Policy and Procedure which states: Except for contracts funded in whole or in part with federal funds, written justification for a sole-source award must be provided documenting that the desired services are available from only the sole-source based upon one or more of the following reasons::(1) The unique experience and capabilities of the proposed contractor or contractor team.

Sonoma Technology, Inc. (STI) has unique experience and capabilities for the development and implementation of the H2S alert system, due to their ability to leverage work done for U.S. EPA's AirNow program. This will ensure operational consistency and public transparency between all SCAQMD real-time alerts and the subscriber interfaces. STI's ability to utilize the existing AirNow/EnviroFlash data processing and alerting system components that they have already developed is critical for timely and cost effective implementation of SCAQMD's H2S alert system.

Resource Impacts

Funds for this contract have been identified in the AES Settlement Projects Fund (35). This contract will require staff oversight, but is not expected to have other fiscal impacts.

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 4

PROPOSAL: Execute Contract to Educate Communities in Use and Operation of Air Quality Sensors

SYNOPSIS: On November 4, 2016, the Board approved the execution of four contracts from Science & Technology Advancement's FY 2016-17 Budget to participate in U.S. EPA's Science to Achieve Results (STAR) Grant project. Three contractors have already executed agreements. This action is to execute a contract with Comite Civico Del Valle, Inc., as the fourth contractor in an amount not to exceed \$82,500 from Science & Technology Advancement's FY 2016-17 and/or 2017-18 Budget to educate community members in the use and operation of air quality sensors.

COMMITTEE: Technology, April 21, 2017; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Executive Officer to execute a contract with Comite Civico Del Valle, Inc., upon EPA approval, to help recruit communities and individuals willing to operate air quality sensors in Southern and Central California over a three-year period in an amount not to exceed \$82,500 from Science & Technology Advancement's (Org 43) FY 2016-17 and/or 2017-18 Budget.

Wayne Natri
Executive Officer

MMM:JCL:AP:ld

Background

In 2014, SCAQMD applied for a competitive U.S. EPA Science to Achieve Results (STAR) grant and was awarded \$749,820 to provide local California communities with the knowledge necessary to appropriately select, use and maintain sensors as well as correctly interpret sensor data. On October 7, 2016, the Board recognized \$749,820 in revenue into the General Fund and appropriated \$670,500 to Science & Technology Advancement's FYs 2016-17, 2017-18 and 2018-19 Budgets, Services and Supplies Major Object, while noting the remaining balance (\$79,320) was already included in

Salaries and Employee Benefits Major Object within Science & Technology Advancement's budget. The STAR grant project was to conduct a comprehensive study focusing on the following specific aims:

1. Develop new methods to engage, educate and empower local communities on the use and applications of "low-cost" sensors;
2. Conduct field and laboratory testing to characterize the performance of commercially available "low-cost" sensors and identify candidates for field deployment;
3. Deploy the selected sensors in multiple California communities and perform a thorough validation and interpretation of the collected data; and
4. Communicate the lessons learned to the public and organize outreach activities.

Subsequently, on November 4, 2016, the Board approved the execution of contracts from Science & Technology Advancement's FY 2016-17 Budget with four contractors including the Communities for a Better Environment (CBE) to participate in the STAR project. Three of the four contractors have already executed agreements, however CBE has decided not to participate. Comite Civico Del Valle, Inc., is now being proposed as the fourth contractor.

Proposal

This action is to execute a contract with Comite Civico Del Valle, Inc., (CCV), upon EPA approval, to educate community members in the use and operation of air quality sensors. CCV was founded in 1987, has a long history of working with local communities on specific air quality issues, has extensive experience with low-cost sensors, and is already running a large low-cost sensor network (IVAN Air). Communities will be specifically targeted in Environmental Justice areas and near specific sources of air pollution. Recruitment efforts will be supported by CCV. Regular public meetings and other outreach activities will be organized by SCAQMD in collaboration with CCV to educate the public on the capabilities of commercially available sensors and their potential applications and limitations (Aim 4). All data collected, documentation developed and testing results will be posted online on SCAQMD's AQ-SPEC website (www.aqmd.gov/aq-spec) and shared with the community at no cost.

Sole Source Justification

Section VIII. B. 3 of the Procurement Policy and Procedure identifies four major provisions under which, for contracts funded in whole or in part with federal funds, a sole source award may be justified. This request for sole source award is made under provision B.3.c., which states the awarding federal agency authorizes noncompetitive proposals.

Benefits to SCAQMD

This work will promote the more educated and responsible use of available low-cost sensors within California communities and across the U.S. and help governmental organizations and other policymakers to better understand air quality issues at the community level. It will also serve as a template for developing monitoring strategies and/or studies to provide information on mitigation efforts. Finally, this work will guide the future implementation of sensor networks in other communities.

Resource Impacts

The contract with CCV will not exceed \$82,500 from Science & Technology Advancement's FYs 2016-17 and/or 2017-18 Budget (Org 43) using funds from the U.S. EPA STAR grant award and the AQ-SPEC Program. The U.S. EPA has authorized funding of \$749,820 for the STAR grant, and SCAQMD has received an initial award of \$400,000.

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 5

PROPOSAL: Execute Contract to Develop High Efficiency Near-Zero Emission Natural Gas Engines for Heavy-Duty Vehicles

SYNOPSIS: In December 2016, the CEC released a competitive solicitation to fund development of advanced natural gas engine technology capable of reducing the efficiency gap between heavy-duty natural gas engines and equivalent diesel engines. The CEC received five responses to the solicitation and recommended three grant awards, one of which was to North American Repower, LLC (NAR). Staff proposes to cost-share this project, along with the Southern California Gas Company who will be contracting directly with NAR. This action is to execute a contract with NAR to develop a high efficiency near-zero emission heavy-duty natural gas engine in an amount not to exceed \$200,000 from the Clean Fuels Fund (31).

COMMITTEE: Technology, April 21, 2017; Recommended for Approval

RECOMMENDED ACTION:

Authorize the Chairman to execute a contract with North American Repower, LLC, for the development of high efficiency near-zero emission natural gas engines for on-road heavy-duty vehicles in an amount not to exceed \$200,000 from the Clean Fuels Fund (31).

Wayne Natri
Executive Officer

MMM:FM:NB:AAO:JL

Background

While natural gas engines are achieving near-zero emission levels, diesel engines are still more efficient. Recent studies and new generations of natural gas engines are showing that the efficiency gap between natural gas and diesel engines is shrinking as advanced technologies are employed in natural gas engines. Consequently, last year, the SCAQMD, CEC and Southern California Gas Company (SoCalGas) began discussing with engine manufacturers the need to develop near-zero natural gas engines

with efficiencies comparable to diesel engines. As a result of those discussions, in December 2016, the CEC released a competitive solicitation seeking proposals to develop advanced natural gas engine technology capable of reducing the efficiency gap between heavy-duty natural gas engines and equivalent diesel engines. The CEC received five proposals in response to the solicitation, and in March 2017, recommended three grant awards, one of which was to North American Repower, LLC (NAR). Given market demand for high efficiency near-zero emission heavy-duty natural gas engines, staff proposes to cost-share this project, along with the Southern California Gas Company (SoCalGas) who will be contracting directly with NAR.

Proposal

The objective of the proposed project is to advance natural gas engine and aftertreatment technologies to achieve engine efficiency comparable to diesel engines and NOx emission levels that are at least 90% lower than 2010 heavy-duty NOx emission standards. NAR will convert a 2016 CARB-certified diesel engine to lean-burn natural gas suitable for Class 8 heavy-duty vehicle applications. The optimization will include piston design, modification of controller software and the latest technology in advanced spark ignition together with new aftertreatment technology to reach near-zero NOx. Once developed, the engine will be tested using both the Federal Test Procedure for emissions certification and non-certification test cycles representative of real-world use in different vocations that are prevalent in the South Coast Air Basin (SCAB). The use of vocational-specific test cycles will provide additional insight towards the engine's real-life emission reduction potential at the desired increased efficiency.

Sole Source Justification

Section VIII.B.2 of the Procurement Policy and Procedure identifies four major provisions under which a sole source award may be justified. This request for sole source award is made under provision B.2.d: Other circumstances exist which in the determination of the Executive Officer require such waiver in the best interest of the SCAQMD. Specifically, these circumstances are B.2.d(1): Projects involving cost sharing by multiple sponsors. The proposed project will be cost-shared by the CEC, SoCalGas and NAR, as outlined in Resources Impacts.

Benefits to SCAQMD

Projects to support implementation of various clean fuel vehicle programs are included in the *Technology Advancement Office Clean Fuels Program 2017 Plan Update* within the category "Engine Systems" under "Develop and Demonstrate Advanced Gaseous- and Liquid-Fueled Medium- and Heavy-Duty Engines and Vehicles Technologies to Achieve Ultra-Low Emissions". This project is to develop high efficiency near-zero emission natural gas engines for on-road heavy-duty vehicles. This engine can also be fueled with renewable natural gas. Successful development will help to accelerate wide-scale deployment of such engines in the region while reducing NOx and GHG emissions to help reach AQMP attainment and state climate change goals.

Resource Impacts

The proposed project budget is approximately \$1,958,096, with funding anticipated from the CEC, SoCalGas and NAR. SCAQMD’s total cost-share shall not exceed \$200,000 from the Clean Fuels Fund (31). The CEC and SoCalGas will contract directly with NAR. Proposed project budget is broken down as follows:

Proposed Project Budget

Funding Source	Cost-Share Amount	Percent
CEC	\$900,000	46
SoCalGas	\$150,000	8
NAR (<i>in-kind</i>)	\$708,096	36
SCAQMD (<i>requested</i>)	\$200,000	10
Total	\$1,958,096	100

Sufficient funds are available from the Clean Fuels Fund (31), established as a special revenue fund resulting from the state-mandated Clean Fuels Program. The Clean Fuels Program, under Health and Safety Code Sections 40448.5 and 40512 and Vehicle Code Section 9250.11, establishes mechanisms to collect revenues from mobile sources to support projects to increase the utilization of clean fuels, including the development of the necessary advanced enabling technologies. Funds collected from motor vehicles are restricted, by statute, to be used for projects and program activities related to mobile sources that support the objectives of the Clean Fuels Program.

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 6

PROPOSAL: Approve Awards for Electric School Buses

SYNOPSIS: At its December 2, 2016 meeting, the Board issued a Program Announcement to solicit applications for electric school buses. This action is to approve awards for 33 electric school buses and associated charging infrastructure in an amount not to exceed \$8,844,000 from the Carl Moyer Program AB 923 Fund (80).

COMMITTEE: Technology, April 21, 2017; Recommended for Approval

RECOMMENDED ACTIONS:

Authorize the Chairman to execute the following contracts in an amount not to exceed \$8,844,000 from the Carl Moyer Program AB 923 Fund (80):

1. Anaheim Elementary School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
2. Anaheim Union High School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
3. Baldwin Park Unified School District for up to 2 electric buses and associated charging infrastructure in an amount not to exceed \$536,000;
4. Bassett Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
5. Bellflower Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
6. Coachella Valley Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
7. Covina Valley Unified School District for 1 electric school bus and associated charging infrastructure in an amount not to exceed \$268,000;
8. Fontana Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
9. Jurupa Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
10. Los Angeles Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
11. Los Angeles Leadership Primary Academy for 1 electric school bus and associated charging infrastructure in an amount not to exceed \$268,000;

12. Lynwood Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
13. Magnolia School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
14. Montebello Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
15. Mountain View School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
16. Rialto Unified School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000;
17. Savanna School District for up to 2 electric school buses and associated charging infrastructure in an amount not to exceed \$536,000; and
18. Today's Fresh Start Charter School for 1 electric school bus and associated charging infrastructure in an amount not to exceed \$268,000.

Wayne Natri
Executive Officer

MMM:FM:VW:RSG

Background

Since the commencement of the Lower-Emission School Bus Program in 2001, SCAQMD has provided over \$280 million in state and local funds to replace over 1,600 highly polluting school buses with alternative fuel buses and to retrofit over 3,300 school buses with particulate traps.

At its December 2, 2016 meeting, the Board approved the issuance of Program Announcement (PA) #PA2017-01 to provide funds to public school districts to purchase zero emission, battery-operated electric school buses. These buses must be either Type C or Type D, included on CARB's approved list, have a minimum battery range of 60 miles from a single charge, and have a battery warranty of at least five years. Consistent with CARB Mail-Out #MSC 15-19, eligible applicants will not be required to replace and scrap an older school bus when they purchase a new electric school bus. When the PA closed on February 10, 2017, applications were received from 51 public school districts and 2 private charter schools requesting a total of 295 electric school buses.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the PA and inviting bids was published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press

Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may have been notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the PA was emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>).

Proposal

This action is to execute contracts with 16 public school districts and 2 charter schools, as outlined in Table 1, for the purchase of 33 electric school buses and associated charging infrastructure in an amount not to exceed \$8,844,000 from the Carl Moyer Program AB 923 Fund (80).

Given the strong response to the PA from school districts, staff proposes to award funding only to schools located in disproportionately impacted areas based on the criteria used for the Carl Moyer Program as described below:

- a. Poverty Level: An area where at least 10 percent of the population falls below the Federal poverty level based on the 2008-2012 American Community Survey (ACS) data;
- b. PM2.5 Exposure: An area with the highest 15 percent of PM2.5 concentration measured within a 2 km grid. The highest 15 percent of PM2.5 concentration is 11.1 micrograms per cubic meter and above, on an annual average;
- c. Air Toxics Exposure: An area with a cancer risk of 894 in a million and above (based on MATES IV estimates) will be eligible to be ranked in this category.

The maximum score is comprised of 40 percent for poverty level and 30 percent each for PM and toxic exposures. The specific garage location and the entire zip code where the school buses will be parked were chosen for this evaluation. Schools with a score of greater than 0.4, corresponding to approximately 68% of that entire zip code being in disproportionately impacted area, are recommended for awards.

Staff proposes to award two electric school buses to all the schools in disproportionately impacted areas with the exception of three schools who requested funding for only one electric school bus. The proposed funding distribution per county is listed below, which is also roughly proportional to the 2010 census for county population distribution.

- Los Angeles County: 52%
- Orange County: 24%
- Riverside County: 12%
- San Bernardino County: 12%

There are currently two Type C electric school buses that are approved by CARB. Any of these buses and any other electric school bus to be approved by CARB before the placement of the purchase orders will be eligible for funding.

This will also be the first time that, in close cooperation, the SCAQMD and CARB will be jointly funding such an incentive program. As agreed with CARB, up to \$368,000, including sales tax, would be allowed as the full price of an electric school bus from CARB's approved list. Through the Hybrid and Zero Emission Truck and Bus Voucher Incentive Project (HVIP), CARB is providing up to \$120,000 per electric school bus that operates in disadvantaged communities. To be eligible for funding, subsequent to the SCAQMD Board approval and prior to contract execution, the applicant must apply, and get approval, for HVIP funds from CARB. The SCAQMD funds will then be used to pay for the balance of the electric school bus not exceeding \$248,000, after subtracting the HVIP voucher amount. In addition, the SCAQMD will provide up to \$20,000 per bus for charging infrastructure. In case schools are not successful in receiving HVIP funds but are still interested in purchasing the buses solely with the SCAQMD funding award, contracts will be executed up to the approved amounts.

Benefits to SCAQMD

The successful implementation of this program will provide less-polluting and safer school transportation for school children and will reduce public exposure to toxic diesel particulate matter emissions. In addition, these awards comply with AB 1390 requirements, such that it would reduce air pollution in low-income, high-diesel and high-PM10 exposure areas as well as enhance the objectives of the Environmental Justice and Children's Health Initiatives adopted by the SCAQMD Board.

Resource Impacts

Total funding for the recommended awards shall not exceed \$8,844,000 from the Carl Moyer Program AB 923 Fund (80).

Attachment

Table 1: Recommended Awards for Electric School Buses and Charging Infrastructure

**Table 1: Recommended Awards for Electric School Buses
and Charging Infrastructure**

Applicant	County	No. of Buses	Bus Award	Infrastructure	Total Award
Baldwin Park	LA	2	\$496,000	\$40,000	\$536,000
Bassett	LA	2	\$496,000	\$40,000	\$536,000
Bellflower	LA	2	\$496,000	\$40,000	\$536,000
Covina Valley	LA	1	\$248,000	\$20,000	\$268,000
Los Angeles	LA	2	\$496,000	\$40,000	\$536,000
Los Angeles Leadership Primary Academy	LA	1	\$248,000	\$20,000	\$268,000
Lynwood	LA	2	\$496,000	\$40,000	\$536,000
Mountain View	LA	2	\$496,000	\$40,000	\$536,000
Montebello	LA	2	\$496,000	\$40,000	\$536,000
Today's Fresh Start	LA	1	\$248,000	\$20,000	\$268,000
Total LA Co.		17	\$4,216,000	\$340,000	\$4,556,000
Anaheim Elementary	OR	2	\$496,000	\$40,000	\$536,000
Anaheim Union High	OR	2	\$496,000	\$40,000	\$536,000
Magnolia	OR	2	\$496,000	\$40,000	\$536,000
Savanna	OR	2	\$496,000	\$40,000	\$536,000
Total Orange Co.		8	\$1,984,000	\$160,000	\$2,144,000
Coachella Valley	RV	2	\$496,000	\$40,000	\$536,000
Jurupa	RV	2	\$496,000	\$40,000	\$536,000
Total RV Co.		4	\$992,000	\$80,000	\$1,072,000
Fontana	SB	2	\$496,000	\$40,000	\$536,000
Rialto	SB	2	\$496,000	\$40,000	\$536,000
Total SB Co.		4	\$992,000	\$80,000	\$1,072,000
Total, All Applicants		33	\$8,184,000	\$660,000	\$8,844,000

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 7

PROPOSAL: Extend Contract for Media, Advertising and Public Outreach for the 2017-18 Check Before You Burn Program

SYNOPSIS: On July 8, 2016, the Board awarded a contract to Westbound Communications for \$246,000 to plan and execute a comprehensive media, advertising and public outreach campaign for the 2016-17 Check Before You Burn program. The existing contract with the firm will expire on June 30, 2017. This action is to extend the contract with Westbound Communications for \$246,000 for one additional year. The contract will be executed from the Rule 1309.1 Priority Reserve Fund (36). A separate contract will be proposed at a later date for advertising with Google, Inc. to promote the 2017-18 Check Before You Burn campaign.

COMMITTEE: Administrative, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board.

RECOMMENDED ACTIONS:

Authorize the Executive Officer to extend the contract for Media, Advertising and Public Outreach for the Check Before You Burn program with Westbound Communications for one year in an amount not to exceed \$246,000 from the Rule 1309.1 Priority Reserve Funds (Fund 36) to plan and implement the 2017-18 Check Before You Burn outreach campaign.

Wayne Natri
Executive Officer

Background

SCAQMD's Check Before You Burn program and its regulatory framework, Rule 445, are key measures in the agency's Air Quality Management Plan to achieve the federal health-based air quality standard for PM2.5. Check Before You Burn and Rule 445 seek to reduce PM2.5 emissions from wood burning in residential fireplaces from November 1 through the end of February on days when unhealthy air quality is forecast.

On April 1, 2016, the Board approved release of an RFP to solicit proposals from firms with the necessary expertise to plan and execute a comprehensive media, advertising and public outreach campaign to promote awareness of and compliance with the Check Before You Burn program during the 2016-17 fall/winter season. The Board approved funding for this outreach effort from the Rule 1309.1 Priority Reserve Funds in an amount not to exceed \$250,000.

Based on the overall quality of their proposed campaign and their presentation to the Administrative Committee, the committee recommended awarding a contract to Westbound Communications. The Board approved the contract on July 8, 2016 in an amount not to exceed \$246,000, with an option to extend the contract for two additional one-year contracts.

Proposal

For the 2016-17 Check Before You Burn program, Westbound Communications developed and implemented a comprehensive media, advertising and public outreach campaign to:

- Increase awareness of and support for SCAQMD's Check Before You Burn program;
- Promote awareness of and compliance with no-burn days; and
- Increase signups to AirAlerts.org.

The campaign achieved more than 465,000 impressions through paid advertising on radio, cable TV and social media. In addition, program information was also distributed at 15 community events. During this year's campaign, subscriptions to AirAlerts increased by about 92 percent compared to the previous year.

The Southland experienced a substantial amount of rainfall during the 2016/17 winter season which brought cleaner air to the region and contributed to a lower number of no-burn days – eight this year compared to 14 no-burn days in 2015/16. Although fewer no-burn days were forecast this past winter season, there remains a strong need to continue to increase awareness of the Check Before You Burn program and build on the outreach momentum gained over the past four years of program outreach.

Based on the overall quality and comprehensive design of the campaign developed and implemented by Westbound Communications, and to ensure an outreach campaign is in place before the 2017/18 Check Before You Burn season begins, staff recommends that the contract with Westbound Communications be extended for one additional year in an amount not to exceed \$246,000.

Proposed Budget

The proposed budget is \$246,000 to be allocated for a one-year contract extension with Westbound Communications.

Resource Impacts

Funding will be provided from Rule 1309.1 Priority Reserve Funds (Fund 36) to implement the 2017-18 Check Before You Burn outreach program.

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 8

PROPOSAL: Amend Contracts to Provide Short- and Long-Term Systems Development, Maintenance and Support Services

SYNOPSIS: SCAQMD currently has contracts with several companies for short- and long-term systems development, maintenance and support services. These contracts are periodically amended as additional needs are defined. This action is to amend two contracts previously approved by the Board to add additional funding for needed development and maintenance work.

COMMITTEE: Administrative, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board.

RECOMMENDED ACTIONS:

1. Transfer \$36,820 from the HEROS II Special Revenue Fund (56) into the General Fund and appropriate \$36,820 to Information Management's FY 2016-17 Budget, Capital Outlays Major Object, Capital Outlays Account, for additional functionality of an in-house web-based application process for the Enhanced Fleet Modernization Program (EFMP).
2. Authorize the Executive Officer to execute amendments to the contracts for systems development services in the amount of \$35,000 to Prelude Systems, and \$51,820 to Varsun eTechnologies from the FY 2016-17 budget for the specific task orders listed in the Attachment.

Wayne Natri
Executive Officer

JCM:OSM:jga

Background

At the October 3, 2014 meeting, the Board authorized staff to initiate level-of-effort contracts with several vendors, including Varsun eTechnologies and Prelude Systems, Inc., for systems development, maintenance and support services. At the time these contracts were executed, it was expected that they would be modified in the future to

add funding from approved budgets as system development requirements were identified and sufficiently defined so that task orders could be prepared. At the October 7, 2016 meeting, the Board approved an amendment to the Varsun eTechnologies contract to develop an in-house web-based application process for the EFMP.

In the FY 2016-17 Budget, the Board approved \$50,000 to modify and enhance the web-based Rule 314/Rule 1113 Architectural Coatings Reporting system. Upon further evaluation of systems programming needs, it was determined that the funding will be more effectively used to make minor modifications to the Rule 314/Rule 1113 Reporting system and modifications to the Public Search module and to enhance the Rule 1415 Refrigerant registration filing system for external users and SCAQMD staff.

System development and maintenance efforts for these tasks are currently needed (see the Attachment) to enhance system functionality and to provide SCAQMD staff with additional automation for improving productivity. The estimated cost to complete the work on these additional tasks exceeds the amount of funding in the existing contracts with Varsun eTechnologies and Prelude Systems, Inc. The contracts are for one year with the option to renew for two one-year periods.

This item is listed on the “Status Report on Major Ongoing and Upcoming Projects for Information Management.”

Proposal

Staff proposes the contracts be amended in the amount of \$35,000 to Prelude Systems, and \$51,820 to Varsun eTechnologies for the specific task orders listed in the Attachment.

In addition, staff proposes a transfer of \$36,820 from the administrative portion of the HEROS II Special Revenue Fund (56) into the General Fund and the appropriation of \$36,820 into Information Management’s FY 2016-17 Budget to the Capital Outlays Major Object, Capital Outlays Account to fund additional system requirements beyond the original scope of work for the EFMP in-house web-based application process.

Resource Impacts

Upon Board approval, sufficient funding will be available in the FY 2016-17 Budget.

Attachment

Task Order Summary

Task Order Summary

Section A – Funding Totals for all Systems Development Contracts

CONTRACTOR	PREVIOUS FUNDING	THIS ADDITION	TOTAL FUNDING
AgreeYa Solutions	\$519,340	\$0	\$519,340
Prelude Systems	\$571,500	\$35,000	\$606,500
Sierra Cybernetics	\$1,155,500	\$0	\$1,155,500
Varsun eTechnologies	\$1,268,550	\$51,820	\$1,320,370
TOTAL	\$3,514,890	\$86,820	\$3,601,710

Section B – Task Orders Scheduled for Award

TASK	DESCRIPTION	ESTIMATE	AWARDED TO
Additional System Requirements for EFMP	Change control funding to support new user-requested functionality identified during requirements gathering extending beyond the original scope of work.	\$36,820	Varsun
R1415 System Enhancements	Enhancement to the R1415 Refrigerant registration filing system to improve the external filer user experience and support processing requirements for internal staff	\$35,000	Prelude
R1113/314 Architectural Coatings System Enhancements	Minor modifications to R1113/314 Reporting system and modifications to the Public Search module	\$15,000	Varsun
TOTAL		\$86,820	

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 9

PROPOSAL: Approve Maximum Support Level Expenditures for Board Member Assistants and Board Member Consultants for FY 2017-18

SYNOPSIS: The Board Member Assistant and Board Member Consultant compensation is proposed to be amended to adjust the compensation level that the SCAQMD may make per Board Member, per fiscal year, based on the Board-approved assignment-of-points methodology. The points are calculated based on criteria such as the level of complexity, number of meetings and role (Chair/Vice-Chair).

COMMITTEE: Administrative, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board.

RECOMMENDED ACTIONS:

Approve maximum support level expenditures for Board Member Assistants and Board Member Consultants for FY 2017-18 in accordance with the Administrative Code and described in Attachment A.

Wayne Nastri
Executive Officer

MBO:lg

Background

Board Members must address an ever-increasing range of complex issues related to performance of their duties, requiring increased assistance, and it is appropriate to make adjustments to the maximum support level expenditure the SCAQMD may make per Board Member, per fiscal year, based on the assignment-of-points methodology that was approved at the July 2015 Board Meeting and incorporated into the Administrative Code.

The Administrative Code describes an assignment-of-points methodology that is based on the level of complexity, number of meetings, role (Chair/Vice-Chair), etc. Additionally, the Administrative Code defines the minimum and maximum amounts that may be allocated per Board Member.

Proposal

This action is to approve the support level of expenditures for Board Member Assistants and Board Member Consultants for FY 2017-18 in accordance with the Administrative Code. Upon approval, Board Members will select Board Assistants and Consultants and allocate their funds. These selections and allocations are anticipated to be reviewed and approved by the Administrative Committee in May or June 2017.

Resource Impacts

Sufficient funding will be requested in the FY 2017-18 Budget for the maximum support level expenditures for Board Member Assistants and Consultants.

Attachment

- A. Board Member Committee/Advisory/Other Group
Assignment Points Calculation for FY 2017-18

ATTACHMENT A

Board Member Committee/Advisory/Other Group Assignment Points Calculation for FY 2017-18

Governing Board Member	Committee/Advisory/Other Group Assignment Points *	FY 2017-18 Calculated Maximum Support Level **
Ashley	61	\$ 39,624
Cacciotti	44	\$ 39,624
Robinson	75	\$ 39,624
Nelson	96	\$ 48,872
McCallon	108	\$ 54,981
Buscaino	122	\$ 62,109
Rutherford	125	\$ 63,636
Kuehl	128	\$ 65,163
Parker	157	\$ 79,927
Lyou	161	\$ 81,963
Mitchell	263	\$118,872
B. Benoit (Vice-Chair)	233.5	\$118,872
Burke (Chair)	208	\$118,872
* Point Calculation does not account for additional responsibilities for Chair and Vice-Chair.		
** Calculated Maximum Support Level based on the Board Member's total points in comparison to the Vice-Chair's total points (not to go below \$39,624 and above \$118,872).		

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 10

PROPOSAL: Appropriate Funds from the Undesignated Fund Balance and Authorize Amending Contract with Consulting Expert

SYNOPSIS: The Legal Office requires an expert to assist with matters before the Hearing Board regarding the Torrance refinery, developing refinery rules, testimony and presentations related to refineries and rules. Bastleford Engineering and Consultancy Ltd. currently has a \$50,000 contract with SCAQMD. This action is to appropriate \$110,000 from the Undesignated (Unassigned) Fund Balance to the Legal budget, Services and Supplies Major Object, Professional and Special Services account, and to authorize the Chairman or the Executive Officer to amend the contract in an amount not to exceed \$170,000. The additional \$10,000 will be funded with a budget transfer from the Planning, Rule Development and Area Sources Office.

COMMITTEE: Administrative, April 14, 2017. Less than a quorum was present; the Committee Members concurred that this item be approved by the Board.

RECOMMENDED ACTIONS:

1. Appropriate \$110,000 from the Undesignated (Unassigned) Fund Balance to Legal's FY 2016-17 Budget, Services and Supplies Major Object, Professional and Special Services account.
2. Authorize the Chairman or the Executive Officer, depending on the amount, to amend a contract with Bastleford Engineering and Consultancy Ltd. in an amount not to exceed \$170,000.

Wayne Nastri
Executive Officer

Background

In December 2016, the SCAQMD entered into a contract with Bastleford Engineering and Consultancy Ltd. in the amount of \$50,000, to retain an expert witness on electrical reliability and refinery related issues in a matter before the Hearing Board regarding the Torrance refinery. The expert witness is Glyn Jenkins. More recently, staff has determined a need to retain an expert to assist with developing rules directed at refineries, and for testimony and presentations related to refineries. Fees and costs for this expert consultant through FY 2019-20 will not exceed \$170,000.

Proposal

Glyn Jenkins is the Managing Director of Bastleford Engineering and Consultancy Ltd. Mr. Jenkins will be the primary person at the firm who will be working on this matter. He has worked in the oil and gas sector for 17 years and has worked at oil refineries across the globe, including in the United States. He has experience in maintenance, engineering, design, operational and turnaround management at refineries and has held a number of senior corporate level positions. He specializes in electrical distribution engineering. Currently, he consults for various entities, including for the Defense Infrastructure Organization (part of the U.K. Ministry of Defense), an international joint venture for a refinery in Scotland, and for Rolls Royce (aerospace).

Mr. Jenkins received his Bachelor of Science degree with honors in Electrical and Electronic Engineering from Pembrokeshire College and his Master of Science in Electrical Power Distribution from Newcastle University.

Sole Source Justification

SCAQMD's Procurement Policy, Section VIII B2, provides for a waiver of formal bid processes under certain circumstances based upon documentation justifying a sole-source award. The award to Bastleford Engineering and Consultancy Ltd. is justified pursuant to Procurement Policy Section VIII B2(d), other circumstances exist justifying a sole-source award, subdivision (4), level-of-effort expert consultation services, in view of the need for immediate significant work involving special expertise in refineries and electrical reliability as set forth above. The expert consultant's hourly rate is commensurate with the level of expertise and consistent with past Board-approved expenditures.

Resource Impacts

The total cost of this contract shall not exceed \$170,000. Sufficient funds will be available in Legal's FY 2016-17 Budget upon approval of this Board letter and the transfer from Planning, Rule Development and Area Sources.

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 11

REPORT: Legislative, Public Affairs and Media Report

SYNOPSIS: This report highlights the March 2017 outreach activities of Legislative, Public Affairs and Media Office, which include: an Environmental Justice Update, Community Events/Public Meetings, Business Assistance, Media Relations and Outreach to Business and Federal, State, and Local Government.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

DJA:FW:MC:DM

BACKGROUND

This report summarizes the activities of the Legislative, Public Affairs and Media Office for March 2017. The report includes five major areas: Environmental Justice Update; Community Events/Public Meetings (including the Speakers Bureau/Visitor Services, Communications Center, and Public Information Center); Business Assistance; Media Relations, and Outreach to Business and Federal, State and Local Governments.

ENVIRONMENTAL JUSTICE UPDATE

The following are key environmental justice-related activities in which staff participated during March 2017. These events involve communities which suffer disproportionately from adverse air quality impacts.

March 2

- Staff attended a Special Exide Technologies Community Advisory Group meeting held at Resurrection Church in Boyle Heights. The meeting focused on issues related to the Department of Toxic Substances Control (DTSC) residential cleanup including sampling methods and other contractor issues.

March 8

- Staff attended and presented at the TRAC Neighborhood Watch meeting which was largely attended by residents from La Puente and the City of Industry. Staff provided an overview of SCAQMD, how to file a complaint, and our environmental justice initiatives.

March 14

- Staff assisted with and participated in the weekly or bi-weekly conference calls with the City of Paramount, elected officials and the public. There were approximately 12 individuals on the public conference call.

March 15

- Staff participated in the Coachella Valley Environmental Justice Enforcement Task Force meeting in the city of Coachella. Staff provided information on AB 1132 by Assemblymember Cristina Garcia which would authorize the air pollution control officer to issue a temporary Order for Abatement where there is imminent and substantial endangerment to the public.

March 15-16

- Staff participated in the second Environmental Justice and Climate Solutions Dialogue at the University of California Berkeley's Goldman School of Public Policy. Staff networked with individuals from regional and state agencies, environmental justice groups, and academic institutions. Staff learned about the clean air initiatives being implemented in Northern California, and environmental issues affecting low-income communities.

March 16

- Staff coordinated the logistics and assisted with the meeting for the DTSC and SCAQMD Exide Technologies Community Advisory Group in Boyle Heights. The meeting focused on the DTSC cleanup of residential properties.

March 28

- Staff assisted with and participated in the weekly or bi-weekly conference calls with the City of Paramount, elected officials and the public. In addition to the hexavalent chromium investigation, members of the public expressed concern regarding a medical waste company.

March 29

- Staff assisted with and attended the SCAQMD Public Consultation and Title V Permit Renewal meeting in Boyle Heights. The proposed renewed permit would only list the remaining equipment, including the baghouses and scrubber, that would continue to contain and control fugitive lead dust emissions from entering the atmosphere during closure activities at the facility.

March 29

- Staff met with the Leadership Counsel for Justice and Accountability in Coachella Valley to discuss air quality issues and the SCAQMD Environmental Justice Community Partnership and other programs.

March 31

- Staff attended the Latinas Breaking Barriers event, learned about the bills that Assemblymember Sebastian Ridley-Thomas is authoring, and networked with numerous individuals.

COMMUNITY EVENTS/PUBLIC MEETINGS

Each year SCAQMD staff engage with thousands of residents, providing valuable information about the agency, incentive programs, and ways individuals can help reduce air pollution through events and meetings sponsored solely by SCAQMD or in partnership with others. Attendees typically receive the following information:

- Tips on reducing their exposure to smog and its health effects;
- Clean air technologies and their deployment;
- Invitations or notices of conferences, seminars, workshops and other public events;
- SCAQMD incentive programs;
- Ways to participate in SCAQMD's rule and policy development; and
- Assistance in resolving air pollution-related problems.

SCAQMD staff attended and/or provided information and updates at the following events:

March 11

- 38th Annual Los Angeles Environmental Education Fair, Los Angeles County Arboretum, Aracdia.

March 22

- SCAQMD Rule 1118 Working Group Meeting, Torrance Cultural Art Center.

March 24

- 8th Annual Auto Club Speedway's STEM Day Event, Fontana.

March 25

- SCAQMD's Cesar Chavez Day of Remembrance Event, La Plaza de Cultura y Artes, Los Angeles.

SPEAKERS BUREAU/VISITOR SERVICES

SCAQMD regularly receives requests for staff to speak on air quality-related issues from a wide variety of organizations, such as trade associations, chambers of commerce, community-based groups, schools, hospitals, and health-based organizations. SCAQMD also hosts visitors from around the world who meet with staff on a wide range of air quality issues.

March 1

- Staff presented an overview of SCAQMD and the use of air quality cost-benefit analyses prepared by SCAQMD, to 50 students and teachers at the University of Southern California in Los Angeles.

March 8

- Staff presented on current and past air quality issues in Paramount to 100 students and 12 teachers and staff at Paramount High School.

March 16

- Staff presented on how collaborative governance work improves air quality to 20 members of the Pi Alpha Alpha Global Honor Society for Public Affairs and Administration, at California State University, Fullerton.

March 23

- Forty students and staff from Hope International University in Fullerton visited SCAQMD headquarters and were provided an overview on SCAQMD and air quality, a tour of SCAQMD's laboratory, and a showing of alternative fuel vehicles.

March 30

- Staff presented on SCAQMD's current new clean air technologies and their incentive funding programs for governments, businesses, and other organizations, to 25 members at the Ontario Chamber of Commerce.

COMMUNICATION CENTER STATISTICS

The Communication Center handles calls on SCAQMD's main line, 1-800-CUT-SMOG[®] line, the Spanish line, and after-hours calls to each of those lines. Total calls received in the month of March were:

Calls to SCAQMD's Main Line and 1-800-CUT-SMOG [®] Line	4,330
Calls to SCAQMD's Spanish-language Line	<u>31</u>
Total Calls	4,361

PUBLIC INFORMATION CENTER STATISTICS

The Public Information Center (PIC) handles phone calls and walk-in requests for general information. Information for the month of March is summarized below:

Calls Received by PIC Staff	145
<u>Calls to Automated System</u>	<u>624</u>
Total Calls	769

Visitor Transactions	271
Email Advisories Sent	32,274

BUSINESS ASSISTANCE

SCAQMD notifies local businesses of proposed regulations so they can participate in the agency’s rule development process. SCAQMD also works with other agencies and governments to identify efficient, cost-effective ways to reduce air pollution and shares that information broadly. Staff provides personalized assistance to small businesses both over the telephone and via on-site consultation. The information is summarized below:

- Provided permit application assistance to 217 companies
- Conducted 4 free on-site consultations
- Issued 35 clearance letters

Types of businesses assisted

Auto Body Shops	Dry Cleaners	Furniture Refinishing Facilities
Engineering Firm	Gas Stations	Auto Repair Centers
Construction Firm	Restaurants	Printing Facilities
Architecture Firm	Breweries	Manufacturing Facilities
Plating Facilities		

MEDIA RELATIONS

The Media Office handles all SCAQMD outreach and communications with television, radio, newspapers and all other publications and media operations.

Total Media Inquiries: 207

Major Media Topics for March:

- **Paramount/Hexavalent Chromium**
 - Staff issued a press release on March 3 announcing a third order for curtailment issued to Aircraft Heat Treating Co. The curtailment order followed an exceedance of hexavalent chromium levels as defined by the Order for Abatement. Coverage ran on KPCC radio as well as California News Wire.

- **2016 AQMP**
 - Opinion pieces and editorials preceding the March 3 Board meeting ran in the Daily News, Desert Sun, the OC Register, Press Telegram, Press Enterprise, and Herald Courier. News outlets including the L.A. Times, OC Register, Riverside Press-Enterprise, KPCC, Bureau of National Affairs/Bloomberg, La Opinión, Inland Community Newspapers, and Telemundo attended the Board Meeting on March 3 to cover the Board action. Following approval of the plan, all of these outlets published stories. Follow-up inquiries came from the L.A. Business Journal, Greenwire and energy writer Richard Nemeec.
 - Transport Topics News requested a statement from staff regarding facility-based measures in the AQMP, specifically for distribution warehouses. The reporter requested a response to statements from ports and trucking industry representatives. Media staff conducted an interview and clarified the process specified for development of the warehouse measure under the AQMP.

- **PBF Torrance Refinery**
 - Another flaring incident was reported at the refinery on Saturday, March 4. Media outlets KNX, the Daily Breeze and MyNewsLA reported on the flaring incident. Thompson-Reuters also inquired about the flaring. Staff provided a spreadsheet of all refinery flaring emissions.
 - As a result of the public workshop on proposed changes to Rule 1118, the Media Office received inquiries about the workshop.
 - A U.S. EPA report was released citing numerous serious safety issues at the facility. Stories ran in response to the report.
 - Thompson-Reuters requested data pertaining to facility flaring records, both in regards to the PBF Torrance Refinery and other local facilities. Staff responded to reporter and provided information presented by staff at a recent public workshop on PAR 1118.

- **RECLAIM** – Reuters News inquired about whether SCAQMD had knowledge of Chaos Trading acting as a broker for American Apparel RTCs. The Media Office researched the question with staff and informed the reporter that brokers are not required to register with SCAQMD unless they actually hold/own RTCs.

- **SCAQMD Hearing Board** – KPCC requested numerous public documents relating to the review of the Hearing Board, including audiotape files of the Personnel Committee meeting related to matters of the Hearing Board.

- **Developments Near Freeways**
 - The OC Register inquired about any SCAQMD rules regarding new homes and offices being built close to freeways and busy roadways. We explained that SCAQMD has no jurisdiction over land use and that these decisions are made by local governments. We also explained that we do comment through the CEQA process, recommending that local governments follow CARB

guidance for establishing buffer zones to reduce exposure to near-roadway emissions.

- Use of Air Filters Near Freeways – As a follow-up to their recent extensive story on near-roadway pollution and its health effects on residents, the L.A. Times submitted several questions regarding the use of air filters in residences near freeways. The reporter was provided a copy of a 2010 study comparing the efficacy of various filters in reducing PM concentrations in classrooms.
- **Santa Fe Springs Fire** – Fox News, KNBC, and Whittier Daily News all inquired regarding the Santa Fe Springs commercial structure fire. Staff issued a press release. KNBC conducted an on-camera interview with staff on the various advisories issued by SCAQMD, including wildfire smoke advisories, which broadcast that evening.
- **Tesoro LARIC EIR** – The Media Office received inquiries about the status of SCAQMD’s certification of the EIR for the L.A. Refinery Integration and Compliance (LARIC) project, and response to criticisms of SCAQMD by community members and the City of Carson. We are not offering any comments at this time since the EIR has not yet been certified by the Executive Officer. The Press-Telegram published a story on the topic on March 16.
- **Mattco, Press Forge and Weber Emissions Reports** - The Press-Telegram inquired about their reported emissions in the SCAQMD online Facility Information Detail (FIND) system (Mattco has none reported) and the locations of nearby air monitors relative to the facilities.

Media Campaigns

Google Ad Campaign: The Check Before You Burn campaign ended on February 28, 2017. The campaign received 8,385 clicks, over 110 million impressions. The Right to Breathe campaign received 13,443 clicks, and 9.2 million impressions.

OUTREACH TO COMMUNITY GROUPS AND FEDERAL, STATE, AND LOCAL GOVERNMENTS

Field visits and/or communications were conducted with elected officials or staff from the following cities:

Alhambra	Dana Point	Murrieta
Anaheim	Diamond Bar	Newport Beach
Aliso Viejo	Duarte	Norco
Arcadia	El Monte	Paramount
Artesia	Fontana	Pasadena
Azusa	Fullerton	Palm Desert
Baldwin Park	Garden Grove	Placentia
Banning	Glendora	Pomona
Beaumont	Hemet	Rancho Cucamonga
Big Bear	Hermosa Beach	Riverside
Brea	Indio	Rosemead
Burbank	Industry	San Bernardino
Buena Park	Jurupa Valley	San Dimas
Calimesa	Lake Forest	San Gabriel
Cerritos	Laguna Hills	San Marino
Chino	La Cañada Flintridge	Signal Hill
Claremont	La Puente	Sierra Madre
Coachella	La Verne	South El Monte
Colton	Loma Linda	South Pasadena
Compton	Los Angeles	Temple City
Commerce	Monrovia	Walnut
Corona	Monterey Park	West Covina
Covina	Mission Viejo	West Hollywood

Visits and/or communications were conducted with elected officials or staff from the following state and federal offices:

- U.S. Congresswoman Judy Chu
- U.S. Congresswoman Lucille Royal-Allard
- U.S. Congresswoman Grace Napolitano
- U.S. Congresswoman Mimi Walters
- U.S. Congressman Ted Lieu
- State Senator Pat Bates
- State Senator Steven Bradford
- State Senator Ed Hernandez
- State Senator Ben Hueso
- State Senator Mike McGuire
- State Senator Anthony Portantino
- State Senator Richard Roth
- State Senator Jeff Stone
- State Senator Josh Newman
- Assembly Member Sabrina Cervantes
- Assembly Member Ed Chau
- Assembly Member Philip Chen
- Assembly Member Brian Dahle
- Assembly Member Chris Holden
- Assembly Member Al Muratsuchi
- Assembly Member Anthony Rendon
- Assembly Member Eloise Gomez Reyes
- Assembly Member Marc Steinorth

Staff represented SCAQMD and/or provided updates or a presentation to the following governmental agencies and business organizations:

Anaheim Chamber of Commerce
Arcadia Chamber of Commerce
Big Bear Lake Chamber of Commerce
California Air Resources Board
California Natural Resources Agency
Cabazon Band of Mission Indians
Chino Valley Chamber of Commerce
Coachella Valley Economic Partnership
Coachella Valley Builders Association
Desert Valley Business Association
Five Mountain Communities Government Affairs Committee (San Bernardino county)
Gateway Cities Councils of Governments
Greater Coachella Valley Chamber of Commerce
Industry Manufacturers Council, City of Industry
Lake Arrowhead Chamber of Commerce
League of California Cities, Los Angeles County Division
Los Angeles County Regional Planning Commission
Morongo Band of Mission Indians
Ontario Chamber of Commerce
Riverside County Transportation Commission
Riverside Transit Agency
San Bernardino Council of Governments
San Bernardino Chamber of Commerce
San Bernardino County Transportation Commission
San Gabriel Valley Council of Governments
San Gabriel Valley City Managers Association
San Gabriel Valley Economic Partnership
South Orange County Economic Coalition
Southern California Gas Company
Southern California Edison Company
Sunline Transit Agency, Thousand Palms.
Temescal Valley Advisory Council
Torres-Martinez Desert Cahuilla Indians
Twentynine Palms Band of Mission Indians
U.S. Environmental Protection Agency, Region 9, California
Western Riverside Council of Governments
Western Riverside County Transportation Now-Northwest, San Geronio Pass

Staff represented SCAQMD and/or provided updates or a presentation to the following community and educational groups and organizations:

California Regional Environmental Community Network, Los Angeles
Coachella Valley Environmental Justice Task Force
Comite Civico Del Valle, Inc
East Yard Communities for Environmental Justice, Los Angeles
Jurupa Valley Unified School District
Korean American Federation of Orange County
Loma Linda University
Leadership Counsel for Environmental Justice and Accountability
Neighborhood Connections, City of Pasadena
San Bernardino County Department of Education
TRAC Neighborhood Watch Group, City of Industry
University of California, Irvine
University of California, Riverside
University of Southern California

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BOARD MEETING DATE: May 5, 2017

AGENDA NO. 12

REPORT: Hearing Board Report

SYNOPSIS: This reports the actions taken by the Hearing Board during the period of March 1 through March 31, 2017.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file this report.

Edward Camarena
Chairman of Hearing Board

DG

Two summaries are attached: **March 2017 Hearing Board Cases and Rules From Which Variances and Orders for Abatement Were Requested in 2017**. An Index of District Rules is also attached.

The total number of appeals filed during the period March 1 to March 31, 2017 is 0; and total number of appeals filed during the period of January 1 to March 31, 2017 is 1.

Report of March 2017 Hearing Board Cases

Case Name and Case No. (SCAQMD Attorney)	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
1. Chevron Products Company Case No. 831-386 (T. Barrera)	203(b) 2004(f)(1) 3002(c)(1)	Boiler and other equipment will not be operated per permit conditions during required maintenance. NOx and CO limits may be exceeded during tuning and testing of Cogeneration D burners.	Not Opposed/Granted	SV granted commencing 3/15/17 and continuing through 4/14/17.	NOx and CO: TBD by 3/30/17
2. Chevron Products Company Case No. 831-387 (M. Lorenz)	203(b) 2004(f)(1) 3002(c)(1)	Unanticipated operational problems have resulted in need to startup Cogeneration D more times than allowed by permit conditions.	Not Opposed/Granted	Ex Parte EV granted commencing 3/22/17 and continuing for 30 days or until the EV hearing currently scheduled for 3/28/17, whichever comes first.	NOx: 152.5 lbs/total CO: 16 lbs/total VOC: 28.5 lbs/total
3. Costco Wholesale Corporation/Costco Gasoline #1001 Case No. 5055-8 (N. Feldman)	203(b)	Petitioner seeks to be allowed greater throughput than authorized by permit.	Opposed/Denied	SV denied for lack of beyond reasonable control.	N/A
4. Los Angeles City, Sanitation Bureau, Hyperion Treatment Plant Case No. 1212-35 (M. Reichert)	202(a) 203(b) 1147(c) 3002(c)(1)	Petitioner seeks to operate noncompliant TO for digester gas utilization project while permanent correction can be engineered, procured, installed and tested.	Not Opposed/Granted	RV granted commencing 3/15/17 and continuing through 9/30/17.	NOx: 13.2 lbs/day
5. PQ Corporation Case No. 6072-1 (N. Sanchez)	203(b) 2004(f)(1) 2012(c)(2)(A) 2012(c)(3)(A) 3002(c)(1)	Petitioner will exceed NOx limits while new stack and CEMS are installed.	Not Opposed/Granted	SV granted commencing 3/13/17 for a period of 14 consecutive days between 3/13/17 and 4/3/17.	None
6. San Bernardino County, Fleet Management Dept. Case No. 6070-1 (N. Sanchez)	203(b)	Petitioner has exceeded annual hours of operation limit for emergency generator.	Not Opposed/Granted	RV granted commencing 3/21/17 and continuing through 12/31/17.	NOx: 0.5 lb/hr CO: 0.2 lb/hr RHC: 0.02 lb/hr PM: 0.03 lb/hr

Case Name and Case No.	Rules	Reason for Petition	District Position/ Hearing Board Action	Type and Length of Variance or Order	Excess Emissions
7. SCAQMD vs. Aesthetic Tree Case No. 6069-1 (N. Sanchez)	203(a)	Respondent operates diesel ICE without permit.	Stipulated/Issued	O/A issued commencing 3/7/17 and continuing through 6/30/17. The Hearing Board shall retain jurisdiction over this matter until 6/30/17.	N/A
8. SCAQMD vs Browning-Ferris Industries of California, Inc., and Republic Services, Inc., dba Sunshine Canyon Landfill Case No. 3448-14 (N. Sanchez)	402 H&S §41700	Status report and modification of O/A.	Stipulated/Issued	Mod. O/A issued commencing 3/1/17 and continuing through 6/30/19. The Hearing Board shall retain jurisdiction over this matter until 6/30/19.	N/A
9. SCAQMD vs Browning-Ferris Industries of California, Inc., and Republic Services, Inc., dba Sunshine Canyon Landfill Case No. 3448-14 (N. Sanchez & K. Manwaring)	402 H&S §41700	Status report and modification of O/A.	Stipulated/Issued	O/A modified through Minute Order only commencing 3/29/17 and continuing through 6/30/19. The Hearing Board shall retain jurisdiction over this matter until 6/30/19.	N/A
10. SCAQMD vs. Southern California Gas Company Case No. 137-76 (N. Feldman & N. Sanchez)	402 H&S §41700	Termination of O/A.	Stipulated/Terminated	Stipulated O/A terminated as of March 2, 2017.	N/A

Acronyms

CEMS: Continuous Emissions Monitoring System
 CO: Carbon Monoxide
 EV: Emergency Variance
 FCD: Final Compliance Date
 H&S: Health and Safety Code
 Mod. O/A: Modification of Order for Abatement
 ICE: Internal Combustion Engine
 N/A: Not Applicable
 NOx: Oxides of Nitrogen
 O/A: Order for Abatement
 PM: Particulate Matter
 RHC: Reactive HydroCarbons
 RV: Regular Variance
 SV: Short Variance
 TBD: To Be Determined
 TO: Thermal Oxidizer
 VOC: Volatile Organic Compounds

Rules from which Variances and Orders for Abatement were Requested in 2017														
	2017	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Actions
# of HB Actions Involving Rules														
202(a)			1	1										2
203(a)		1	1	1										3
203(b)		6	4	6										16
402		2	2	3										7
442			2											2
461(e)(3)			1											1
1110.2		1												1
1110.2(d)(1)(B), Table II		1												1
1147		1												1
1147(c)			1	1										2
1176(e)(3)		1												1
1176(f)(3)		1												1
1470(c)(3)(C)(iii)			1											1
2004(f)(1)		6	1	3										10
2011(c)(2)			1											1
2012(c)(2)(A)				1										1
2012(c)(3)(A)				1										1
3002(a)			1											1
3002(c)(1)		3	4	4										11
H&S 41700		2	2	3										7

**DISTRICT RULES AND REGULATIONS INDEX
FOR MARCH 2017 HEARING BOARD REPORT**

REGULATION II – PERMITS

Rule 202 Temporary Permit to Operate
Rule 203 Permit to Operate

REGULATION IV – PROHIBITIONS

Rule 402 Nuisance
Rule 442 Usage of Solvents
Rule 461 Gasoline Transfer and Dispensing

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1110.2 Emissions from Gaseous- and Liquid-Fueled Internal Combustion Engines
Rule 1147 NOx Reductions from Miscellaneous Sources
Rule 1176 Sumps and Wastewater Separators

REGULATION XIV – TOXICS

Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Ignition Engines

REGULATION XX - REGIONAL CLEAN AIR INCENTIVES MARKET (RECLAIM)

Rule 2004 Requirements
Rule 2011 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SOx) Emissions
Rule 2012 Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NOx) Emissions

REGULATION XXX - TITLE V PERMITS

Rule 3002 Requirements
Rule 3003 Applications

CALIFORNIA HEALTH AND SAFETY CODE

§41700 Prohibited Discharges

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BOARD MEETING DATE: May 5, 2017

AGENDA NO. 13

REPORT: Civil Filings and Civil Penalties Report

SYNOPSIS: This reports the monthly penalties from March 1 through March 31, 2017, and legal actions filed the General Counsel's Office from February 1 through March 1, 2017. An Index of District Rules is attached with the penalty report.

COMMITTEE: Stationary Source, April 21, 2017, Reviewed

RECOMMENDED ACTION:
Receive and file this report.

Kurt R. Wiese
General Counsel

KRW:lc

Violations

Civil Filings

2	DOUG WADE dba DOUG'S EXTERIOR DYNAMICS Los Angeles Superior Court – Stanley Mosk Courthouse Case No. BC654196; Filed: 3.15.17 (KCM) P60156 and P60158 R. 1403 – Asbestos Emissions from Demolition/Renovation Activities
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1 Case

2 Violations

Attachments

March 2017 Penalty Reports
Index of District Rules and Regulations

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

March 2017 Settlement Penalty Report

Total Penalties

Civil Settlements:	\$190,800.00
Self-Reported Settlements:	\$3,500.00
MSPAP Settlements:	\$33,990.00
Total Cash Settlements:	\$228,290.00
Total SEP Value:	\$0.00
Fiscal Year through 3 / 2017 Cash Total:	\$2,485,179.65
Fiscal Year through 3 / 2017 SEP Value Only Total:	\$10,500.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
Civil Settlements						
122666	A'S MATCH DYEING & FINISHING	2004, 2004(f)(1), 2012 2012(j)(2) 2004, 2004(d)	3/20/2017	NSF	P62806 P62807	\$50,000.00
110268	BLOOMINGDALE'S DEPARTMENT STORES	2202	3/22/2017	WBW	P60327	\$12,500.00
141450	CAMPUS 1000 FREMONT, LLC; THE ALHAMBRA	201, 203(a) 203 (a)	3/2/2017	RFL	P64102 P64109	\$1,000.00
94930	CARGILL INC	2004	3/6/2017	RFL	P55673	\$500.00
148322	EDE ENTERPRISES, INC. DBA EVA'S SHELL	461(c), 461(c)(2)(B), 41960.2	3/22/2017	KCM	 P64256	\$1,050.00
162281	GRAND GAS, INC.	203	3/14/2017	NAS	P65451	\$1,500.00
175388	Cash \$1,500.00 with Stipulated penalty and Civil Probation	203 (a)			P64277	
179762	Facility must install the Insite 360 FuelQuest System & Maintenance at three facilities and continuously maintain and operate the system for 12 months beginning April 1, 2017 through April 1, 2018. Facility is required to have all of its employees attend District Rule 461 Class no later than June 30, 2017. If the facility does not install the Insite 360 system at each of the three facilities, they will be required to pay a stipulated penalty of \$5,000 for each three facilities. Grand Gas Hacienda Heights facility will be under a civil probation for one year. If the facility is issued a NOV during the probation period for any District rule, Grand Gas will be required to install the Insite360 system at the Hacienda Heights facility and operate the system for 12 months. If not installed, Grand Gas shall pay a stipulated penalty of \$5,000.	203 (b) 206 41960.2 461 461 (e) (1) 461(c) 461(c)(1)(A) 461(c)(2)(B) 461(e)(2) 461(E)(2)(A) 461(e)(2)(C)			P64274 P63212 P63060 P63039 P63026 P63023 P62419 P62414 P62411 P62343 P59945 P59760 P58398	
91259	JOHANSON DIELECTRICS INC	1147, 3002(c)(1)	3/27/2017	SH	P62152	\$5,500.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
800335	LA CITY, DEPT OF AIRPORTS	2012	3/13/2017	NSF	P54984	\$10,000.00
800080	LUNDAY-THAGARD COMPANY	463(c), 2004, 3002(c)(1) 2004	3/13/2017 3/21/2017	NSF	P61514 P62071	\$42,500.00
2619	MARTIN LUTHER KING JR MEDICAL CAMPUS	1146, 3002 1146, 3002	3/16/2017	RRF	P58429 P62379	\$2,000.00
101128	MIRABELLA HOMEOWNERS' ASSOCIATION INC	1470 1470	3/13/2017	VKT	P61226 P61241	\$1,000.00
104234	MISSION FOODS CORPORATION	203(b), 1146.2, 1147	3/16/2017	KCM	P61429	\$15,000.00
142775	OCEANGATE PETROLEUM, INC	203, 461, 41960.2	3/2/2017	MJR	P61251	\$12,000.00
151198	RED STAR AUTO BODY	109, 203(a) 109, 203(a)	3/27/2017	NAS	P61209 P61239	\$1,500.00
171203	ROYCE OIL	203 (b)	3/15/2017	MJR	P64323	\$20,000.00
9898	SCIENTIFIC SPRAY FINISHES INC	3003	3/6/2017	MJR	P60676	\$1,500.00
114083	SOLUTIONS UNLIMITED, WILSON'S ART STUDIO	3003	3/16/2017	MJR	P60677	\$1,000.00
176140	SPHINX BROTHERS ENTERPRISES, INC	461(c)(2)(B), 41960.2 203 (a), 203(b), 41960.2 461(c)(1)(A), 461(c)(2)(B)	3/16/2017	NSF	P59321 P61494	\$1,000.00
112877	TALCO PLASTICS INC	402 402, 41700 402 402, 41700 402, 41700	3/27/2017	NAS	P56992 P60354 P60720 P61506 P61508	\$10,000.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
14966	U S GOV'T, V A MEDICAL CENTER, WEST L A	461(e)(2), 3002(c)(1)	3/6/2017	RRF	P60129	\$600.00
106009	VENOCO INC	1470 1470	3/27/2017	VKT	P61234 P61244	\$500.00
148839	WINCHESTER CLEANERS, KWANG HWAN LEE DBA	203 203	3/6/2017	VKT	P61181 P61182	\$150.00

Total Civil Settlements: \$190,800.00

Self-Reported Settlements

182026	PAC OPERATING LIMITED PARTNERSHIP	203	3/14/2017	SH		\$3,500.00
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Total Self-Reported Settlements: \$3,500.00

MSPAP Settlements

173007	ALAMEDA FUEL	203 (a), 461, 461(c), 461(c)(2) 461 (e) (2), 41960.2	3/29/2017	JS	P64651	\$2,310.00
128980	ALAMO DISCOUNT STORE	203 (a), 461	3/6/2017	JS	P63211	\$2,000.00
177968	APRO LLC DBA UNITED OIL #162	461	3/15/2017	JS	P64963	\$750.00
174624	ARCO #42121	203 (a)	3/15/2017	GC	P64955	\$800.00
172190	BIG DADDY'S OIL 21, INC	203 (a), 461(c)(2)(B), 461(e)(1)	3/6/2017	JS	P63037	\$1,645.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
159150	CALIFORNIA GOLF & ART COUNTRY CLUB	461	3/15/2017	JS	P59683	\$1,340.00
175074	CAMELOT GOLFLAND	461 (e) (2)	3/6/2017	JS	P60682	\$375.00
132784	CAPRI CLEANERS, JAMES ALEXANDER CHIANIS	1421	3/29/2017	JS	P59684	\$1,260.00
559	CERAMIC DECORATING CO INC	401(b)(1)(B)	3/15/2017	JS	P60529	\$1,890.00
152574	CITY OF INDUSTRY CITY HALL	203(b), 1470	3/6/2017	JS	P65351	\$1,800.00
121485	CITY OF MORENO VALLEY	461 (e) (2)	3/6/2017	TF	P64156	\$550.00
148882	CITY OF MORENO VALLEY FIRE STATION #2	461 (e) (2)	3/6/2017	TF	P64158	\$550.00
133591	CITY OF MORENO VALLEY FIRE STATION #91	461 (e) (2)	3/6/2017	TF	P64160	\$550.00
17722	COMMUNITY HOSPITAL OF SAN BERNARDINO	203	3/29/2017	JS	P61573	\$1,650.00
130235	DESIGNER FINE FINISHES, DAN UPCHURCH DBA	203 (a)	3/29/2017	GC	P64061	\$500.00
136148	E/M COATING SERVICES	3003	3/29/2017	GC	P62908	\$250.00
136173	E/M COATING SERVICES	3003	3/29/2017	GC	P60866	\$400.00
175840	FUEL PROS, INC	201, 461(c)	3/15/2017	GC	P63113	\$850.00
175840	FUEL PROS, INC	201	3/15/2017	GC	P36745	\$650.00
176411	GOLDEN STATE ENTERPRISES, LLC	203 (a), 203(b), 461 461(c)(2)(B)	3/15/2017	GC	P63121	\$1,000.00
114998	KIM'S ARCO AM/PM	201, 203(a)	3/29/2017	GC	P36744	\$470.00
178153	LOS ANGELES COUNTY METROPOLITAN TRANS	201, 203(a)	3/6/2017	TF	P64121	\$250.00

Fac ID	Company Name	Rule Number	Settled Date	Init	Notice Nbr	Total Settlement
110868	MODEL CLEANERS, INC.	203(a)	3/15/2017	TF	P63753	\$250.00
78109	MORENO VALLEY, KENNEDY PARK FIRE STATION	461 (e) (2)	3/6/2017	TF	P64157	\$550.00
11508	PRESBYTERIAN INTERCOMMUNITY HOSPITAL	1146	3/29/2017	TF	P63905	\$3,300.00
114910	PROVIDENCE HOLY CROSS MEDICAL CENTER	1146	3/29/2017	TF	P62171	\$1,500.00
16812	OAKWOOD CEMETERY ASSN LA/MEMORIAL PK	461	3/15/2017	TF	P62167	\$2,200.00
175423	ORCHARD SUPPLY COMPANY, LLC	1470	3/15/2017	TF	P62170	\$550.00
138034	RAINBOW SANDALS CORP.	203 (b)	3/29//2017	TF	P64068	\$2,000.00
57549	RIVERSIDE CO FIRE DEPT STA #48	461 (e) (2)	3/6/2017	TF	P64159	\$550.00
177949	STAFFING AND MANAGEMENT GROUP INC DBA KA	203 (a)	3/15/2017	GV	P64338	\$800.00
183199	TESORO REFINING AND MARKETING COMPANY IN	203 (a)	3/6/2017	TF	P64904	\$450.00

Total MSPAP Settlements: \$33,990.00

**DISTRICT RULES AND REGULATIONS INDEX
FOR MARCH 2017 PENALTY REPORTS**

REGULATION I - GENERAL PROVISIONS

Rule 109 Recordkeeping for Volatile Organic Compound Emissions (*Amended 8/18/00*)

REGULATION II – PERMITS

Rule 201 Permit to Construct (*Amended 1/5/90*)

Rule 203 Permit to Operate (*Amended 1/5/90*)

REGULATION IV - PROHIBITIONS

Rule 401 Visible Emissions (*Amended 9/11/98*)

Rule 402 Nuisance (*Adopted 5/7/76*)

Rule 403 Fugitive Dust (*Amended 12/11/98*) *Pertains to solid particulate matter emitted from man-made activities.*

Rule 461 Gasoline Transfer and Dispensing (*Amended 6/15/01*)

Rule 206 Posting of Permit to Operate (*Amended 10/8/93*) *Explains how and where permits are to be displayed.*

REGULATION IV - PROHIBITIONS

Rule 401 Visible Emissions (*Amended 9/11/98*)

Rule 461 Gasoline Transfer and Dispensing (*Amended 6/15/01*)

Rule 463 Storage of Organic Liquids (*Amended 3/11/94*)

REGULATION XI - SOURCE SPECIFIC STANDARDS

Rule 1146 Emissions of Oxides of Nitrogen from Industrial, Institutional and Commercial Boilers, Steam Generators, and Process Heaters (*Amended 11/17/00*)

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

REGULATION XIV – TOXICS

- Rule 1421 Control of Perchloroethylene Emissions from Dry Cleaning Operations (*Amended 6/13/97*)
- Rule 1470 Requirements for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines

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 XXII ON-ROAD MOTOR VEHICLE MITIGATION

- Rule 2202 On-Road Motor Vehicle Mitigation Options (*Amended 10/9/98*)

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

- 41960.2 Gasoline Vapor Recovery

CALIFORNIA HEALTH AND SAFETY CODE § 41700

- 41700 Violation of General Limitations
- 41960.2 Gasoline Vapor Recovery

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 14

REPORT: Lead Agency Projects and Environmental Documents Received By SCAQMD

SYNOPSIS: This report provides, for the Board's consideration, a listing of CEQA documents received by the SCAQMD between March 1, 2017 and March 31, 2017, and those projects for which the SCAQMD is acting as lead agency pursuant to CEQA.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Nastri
Executive Officer

PF:SN:JW:LS:LW

CEQA Document Receipt and Review Logs (Attachments A and B) – Each month, the SCAQMD receives numerous CEQA documents from other public agencies on projects that could adversely affect air quality. A listing of all documents received and reviewed during the reporting period March 1, 2017 through March 31, 2017 is included in Attachment A. A list of active projects from previous reporting periods for which SCAQMD staff is continuing to evaluate or has prepared comments is included in Attachment B. A total of 123 CEQA documents were received during this reporting period and 33 comment letters were sent. A notable project in this report is the Proposed Renewable Natural Gas Facility at Prima Deschecha Landfill.

The Intergovernmental Review function, which consists of reviewing and commenting on the adequacy of the air quality analysis in CEQA documents prepared by other lead agencies, is consistent with the Board's 1997 Environmental Justice Guiding Principles and Environmental Justice Initiative #4. Furthermore, as required by the Environmental Justice Program Enhancements for FY 2002-03 approved by the Board in October 2002, each of the attachments notes those proposed projects where the SCAQMD has been contacted regarding potential air quality-related environmental justice concerns. The SCAQMD has established an internal central contact to receive information on projects with potential air quality-related environmental justice concerns. The public may

contact the SCAQMD about projects of concern by the following means: in writing via fax, email, or standard letters; through telephone communication; as part of oral comments at SCAQMD meetings or other meetings where SCAQMD staff is present; or by submitting newspaper articles. The attachments also identify for each project the dates of the public comment period and the public hearing date, if applicable, as reported at the time the CEQA document is received by the SCAQMD. Interested parties should rely on the lead agencies themselves for definitive information regarding public comment periods and hearings as these dates are occasionally modified by the lead agency.

At the January 6, 2006 Board meeting, the Board approved the Workplan for the Chairman's Clean Port Initiatives. One action item of the Chairman's Initiatives was to prepare a monthly report describing CEQA documents for projects related to goods movement and to make full use of the process to ensure the air quality impacts of such projects are thoroughly mitigated. In response to describing goods movement, CEQA documents (Attachments A and B) are organized to group projects of interest into the following categories: goods movement projects; schools; landfills and wastewater projects; airports; and general land use projects, etc. In response to the mitigation component, guidance information on mitigation measures were compiled into a series of tables relative to: off-road engines; on-road engines; harbor craft; ocean-going vessels; locomotives; fugitive dust; and greenhouse gases. These mitigation measure tables are on the CEQA webpages portion of the SCAQMD's website. Staff will continue compiling tables of mitigation measures for other emission sources, including airport ground support equipment and other sources.

As resources permit, staff focuses on reviewing and preparing comments for projects: where the SCAQMD is a responsible agency; that may have significant adverse regional air quality impacts (e.g., special event centers, landfills, goods movement, etc.); that may have localized or toxic air quality impacts (e.g., warehouse and distribution centers); where environmental justice concerns have been raised; and those projects for which a lead or responsible agency has specifically requested SCAQMD review. If the SCAQMD staff provided written comments to the lead agency as noted in the column "Comment Status," there is a link to the "SCAQMD Letter" under the Project Description. In addition, if the SCAQMD staff testified at a hearing for the proposed project, a notation is provided under the "Comment Status." If there is no notation, then SCAQMD staff did not provide testimony at a hearing for the proposed project.

During the period March 1, 2017 through March 31, 2017, the SCAQMD received 123 CEQA documents. Of the total of 144 documents* listed in Attachments A and B:

- 33 comment letters were sent;
- 36 documents were reviewed, but no comments were made;
- 36 documents are currently under review;
- 21 documents did not require comments (e.g., public notices, plot plans, Final Environmental Impact Reports);
- 0 documents were not reviewed; and
- 18 documents were screened without additional review.

* These statistics are from March 1, 2017 to March 31, 2017 and may not include the most recent “Comment Status” updates in Attachments A and B.

Copies of all comment letters sent to lead agencies can be found on the SCAQMD’s CEQA webpage at the following internet address:
<http://www.aqmd.gov/home/regulations/ceqa/commenting-agency>.

SCAQMD Lead Agency Projects (Attachment C) – Pursuant to CEQA, the SCAQMD periodically acts as lead agency for stationary source permit projects. Under CEQA, the lead agency is responsible for determining the type of CEQA document to be prepared if the proposal is considered to be a “project” as defined by CEQA. For example, an Environmental Impact Report (EIR) is prepared when the SCAQMD, as lead agency, finds substantial evidence that the proposed project may have significant adverse effects on the environment. Similarly, a Negative Declaration (ND) or Mitigated Negative Declaration (MND) may be prepared if the SCAQMD determines that the proposed project will not generate significant adverse environmental impacts, or the impacts can be mitigated to less than significance. The ND and MND are written statements describing the reasons why proposed projects will not have a significant adverse effect on the environment and, therefore, do not require the preparation of an EIR.

Attachment C to this report summarizes the active projects for which the SCAQMD is lead agency and is currently preparing or has prepared environmental documentation. As noted in Attachment C, the SCAQMD continued working on the CEQA documents for three active projects during March.

Attachments

- A. Incoming CEQA Documents Log
- B. Ongoing Active Projects for Which SCAQMD Has or Will Conduct a CEQA Review
- C. Active SCAQMD Lead Agency Projects

ATTACHMENT A*
INCOMING CEQA DOCUMENTS LOG
March 01, 2017 to March 31, 2017

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Warehouse & Distribution Centers RVC170321-05 Space Center Industrial Project (Case No. MA 14126)	The proposed project consists of the construction of two warehouse buildings, totaling 1,124,860 square feet, on 53.1 acres. The project is located on the southwest corner of Etiwanda Avenue and Iberia Street. Reference RVC150519-03 Comment Period: 3/22/2017 - 5/5/2017 Public Hearing: N/A	Draft Environmental Impact Report	City of Jurupa Valley	Under review, may submit written comments
Warehouse & Distribution Centers RVC170330-13 Plot Plan No. 26220 - EA43004	The proposed project consists of the construction of a trucking distribution center with a 56,000-square-foot loading dock and a 10,000-square-foot main office on 19.19 acres. The project is located on the northeast corner of Placentia Avenue and West Frontage Road in the Mead Valley Area. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-plotplan26220-041217.pdf Comment Period: 3/30/2017 - 4/20/2017 Public Hearing: N/A	Site Plan	County of Riverside	SCAQMD staff commented on 4/12/2017
Warehouse & Distribution Centers SBC170301-09 California Steel Services Project	The proposed project consists of the demolition of two industrial buildings of 7,600 square feet and 8,190 square feet, and the construction of a new concrete tilt-up 85,500-square-foot building to be used for steel storage and shipping on 7.5 acres. The project will include 50 new or relocated parking stalls (12,500 square feet) and improvement of 120,000 square feet of asphalt concrete pavement yard and truck circulation area. The project will also replace the existing 19,200 square feet of landscape coverage with drought tolerant plants yielding an additional 15,800 square feet of new landscape planters, including setback areas. The project is located at 1212 Mountain Avenue on the northwest corner of Mountain View Avenue and Riverview Avenue. Comment Period: 2/27/2017 - 3/20/2017 Public Hearing: 4/19/2017	Mitigated Negative Declaration	City of San Bernardino	Document reviewed - No comments sent

*Sorted by Land Use Type (in order of land uses most commonly associated with air quality impacts), followed by County, then date received.

- Project has potential environmental justice concerns due to the nature and/or location of the project.

Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
March 01, 2017 to March 31, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Industrial and Commercial</i> LAC170328-01 Proposed Digital Billboard at 840 East Walnut Street	The proposed project consists of the construction of a 56-foot digital billboard with associated infrastructure connections on 2.57 acres. The project is located on the southeast corner of Kingsview Avenue and East Walnut Street. Comment Period: 3/27/2017 - 4/26/2017 Public Hearing: 5/9/2017	Negative Declaration	City of Carson	Under review, may submit written comments
<i>Industrial and Commercial</i> LAC170330-10 Airgas New Building Project	The proposed project consists of the demolition of two buildings totaling 7,400 square feet, and the construction of a 15,000-square-foot building on 5.6 acres. The project would include the storage, mixing and handling of flammable and non-flammable chemicals. The project is located at 8832 Dice Road on the southeast corner of Burke Road and Dice Road. Comment Period: 3/30/2017 - 4/23/2017 Public Hearing: 5/8/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	City of Santa Fe Springs	Under review, may submit written comments
<i>Industrial and Commercial</i> ORC170310-04 LA Fitness Health Club	The proposed project consists of the construction of a 37,000-square-foot, single-story private health club. The project is located at 12311 Seal Beach Boulevard on the southwest corner of Rossmoor Center Way and Seal Beach Boulevard. Reference LAC170103-04 Comment Period: 3/9/2017 - 4/24/2017 Public Hearing: 5/15/2017	Draft Environmental Impact Report	City of Seal Beach	Document reviewed - No comments sent
<i>Industrial and Commercial</i> ORC170330-09 Freeway-Oriented Signage for The Outlets at San Clemente	The proposed project consists of the mounting of 36 freeway signs on buildings. The project is located at 101 West Avenida Vista Hermosa on the northeast corner of West Avenida Vista Hermosa and East Avenida Pico. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-freewayorientedesignage-040617.pdf Comment Period: 3/28/2017 - 4/26/2017 Public Hearing: 4/17/2017	Notice of Preparation	City of San Clemente	SCAQMD staff commented on 4/6/2017

- Project has potential environmental justice concerns due to the nature and/or location of the project.
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**ATTACHMENT A
INCOMING CEQA DOCUMENTS LOG
March 01, 2017 to March 31, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> LAC170314-07 U.S. Ecology Vernon, Inc.	The proposed project consists of the renewal of the existing permit to continue the operations of storage, treatment, and transfers of hazardous and non-hazardous waste. The project is located at 5375 South Boyle Avenue on the northwest corner of East 54th Street and South Boyle Avenue in the City of Vernon. Reference LAC160811-01 Comment Period: 3/9/2017 - 4/25/2017 Public Hearing: 4/19/2017	Community Update	Department of Toxic Substances Control	Under review, may submit written comments
<i>Waste and Water-related</i> LAC170315-03 City Terrace Recycling Materials Recovery Facility and Transfer Station	The proposed project consists of the conditional use permit to allow the expansion of operational capacity by increasing the waste intake capacity by 300 tons per day (tpd) to 1,000 tpd and increasing the recycling capacity to 1,500 tpd. The project will also include the expansion of an existing 3,600-square-foot canopy with an additional 2,400 square feet on 1.6 acres. The project is located at 1511-1533 Fishburn Avenue on the northwest corner of Fishburn Avenue and Fowler Street in the East Los Angeles community. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/ipc-cityterracerecyclingmrf-031717.pdf Comment Period: N/A Public Hearing: N/A	Initial Project Consultation	County of Los Angeles	SCAQMD staff commented on 3/17/2017
<i>Waste and Water-related</i> LAC170316-11 Proposed Permit Renewal for Atlas Precious Metals, Inc.	The proposed project consists of a permit renewal to continue the storage and treatment of hazardous waste with a maximum of 3,000 pounds in capacity within a 751-square-foot facility. The project is located at 640 South Hill Street on the southeast corner of Hill Street and 7th Street in the City of Los Angeles. Reference LAC161025-05 Comment Period: 3/16/2017 - 5/3/2017 Public Hearing: N/A	Community Notice	Department of Toxic Substances Control	Document reviewed - No comments sent
<i>Waste and Water-related</i> LAC170330-17 Del Amo Neighborhood Park Proposed Workplan	The proposed project consists of the placement of a clean soil cover and the installation of vapor barrier systems. The project would also include the post-grading soil management below clean fill. The project is the Del Amo Neighborhood Park that is located at 1000 West 204th Street on the southwest corner of West 204th Street and Berendo Avenue in the community of West Carson in Los Angeles County. Reference LAC170330-18 Comment Period: 3/29/2017 - 4/28/2017 Public Hearing: 4/12/2017	Draft Remediation Plan	Department of Toxic Substances Control	Under review, may submit written comments

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**ATTACHMENT A
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March 01, 2017 to March 31, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> ORC170301-08 Proposed Renewable Natural Gas Facility at Prima Deshecha Landfill	The proposed project consists of the construction and operation of an 834-standard-cubic-foot-per-minute renewable natural gas facility at the existing solid waste landfill owned and operated by Orange County Waste and Recycling. The project is located at 32250 La Pata Avenue on the southeast corner of La Pata Avenue and Stallion Ridge in the City of San Juan Capistrano. Reference ORC110715-01 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nd-primadeshechalandfill-032917.pdf Comment Period: 3/2/2017 - 3/31/2017 Public Hearing: N/A	Negative Declaration	County of Orange	SCAQMD staff commented on 3/29/2017
<i>Waste and Water-related</i> ORC170307-04 Seal Beach Water Infrastructure Capital Improvement Projects	The proposed project consists of the improvements to seven water infrastructure facilities as part of the City's Capital Improvement Plan (CIP). The project will also include maintenance to six water systems, and one beach and pier project to rehabilitate the Seal Beach Pier. The project is located west of the Interstate 22 and Interstate 405 intersection. Comment Period: 3/7/2017 - 4/5/2017 Public Hearing: 3/22/2017	Mitigated Negative Declaration	City of Seal Beach	Document reviewed - No comments sent
<i>Waste and Water-related</i> RVC170307-08 Robert A. Nelson Transfer Station/Materials Recovery Facility Improvements Project	The proposed project consists of the removal of the existing pilot composting system and the construction of an aerated static pile compost system, a food waste processing unit, and an underground storm water infiltration system. The project is located at 1930 Agua Mansa Road between Wilson Street and Brown Avenue in the City of Jurupa Valley. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-robertnelsonmrf-040717.pdf Comment Period: 3/7/2017 - 4/7/2017 Public Hearing: N/A	Mitigated Negative Declaration	Riverside County Department of Waste Resources	SCAQMD staff commented on 4/7/2017
<i>Waste and Water-related</i> RVC170310-06 Riverside Neighborhood Evaluation Project	The proposed project consists of a community meeting to provide information on the soil sampling to determine if wind-borne Polychlorinated Biphenyls (PCBs) has migrated from the Riverside Agricultural Park to the nearby residential neighborhood. The project is located at 7020 Crest Avenue near the northeast corner of Dorinda Drive and Altadena Drive in the City of Riverside. Comment Period: 3/9/2017 - 4/7/2017 Public Hearing: 3/23/2017	Community Meeting	Department of Toxic Substances Control	Document does not require comments

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> SBC170328-07 Proposed Response Plan for Barton Road I-215 Interchange Improvement Project, Demetri/A-1 Cleaners Parcel	The proposed project consists of the actions to clean up the contaminated soil at the former Demetri property that is located at 21900 Barton Road on the northeast corner of Grand Terrace Road and Barton Road in the City of Grand Terrace. Comment Period: 4/3/2017 - 5/3/2017 Public Hearing: N/A	Draft Remediation Plan	Department of Toxic Substances Control	Under review, may submit written comments
<i>Waste and Water-related</i> SBC170329-02 Draft Removal Action Work Plan (RAW) for Advanced Steel Recovery (ASR)	The proposed project consists of the cleanup actions to conduct limited soil excavation on 7.51 acres and cover the soils with an engineered cap. The project is located at 14451 Whittram Avenue on the southwest corner of Whittram Avenue and Cherry Avenue in the City of Fontana. Comment Period: 3/13/2017 - 4/13/2017 Public Hearing: N/A	Draft Remediation Plan	Department of Toxic Substances Control	Document does not require comments
<i>Waste and Water-related</i> SBC170331-02 City Creek Manhole Rehabilitation Project	The proposed project consists of the construction of the concrete encasement of a segment of an existing sewer pipeline and the addition of rip-rap to prevent erosion. The project is located on the southwest corner of Boulder Avenue and City Creek in the City of Highland. Comment Period: 3/31/2017 - 4/30/2017 Public Hearing: 6/14/2017	Mitigated Negative Declaration	East Valley Water District	Document reviewed - No comments sent
<i>Utilities</i> LAC170303-08 Conditional Use Permit (CUP) Case No. 774	The notice consists of a public hearing to hear the request to construct a new 54-foot tall wireless telecommunications tower disguised as a pine tree (monopine) within a 20-foot by 10-foot area. The project is located at 11822 Burke Street on the southeast corner of Burke Street and Dice Road. Reference LAC170222-04 Comment Period: N/A Public Hearing: 3/13/2017	Notice of Public Hearing	City of Santa Fe Springs	Document does not require comments

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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Transportation</i> RVC170317-02 MA16188 (SDP 16020)	The proposed project consists of the construction of a passenger bus terminal within an existing building that would accommodate up to 17 buses per day. The project is located on the southwest corner of Clay Street and Limonite Avenue. Reference RVC161129-07 Comment Period: 3/13/2017 - 4/3/2017 Public Hearing: N/A	Negative Declaration	City of Jurupa Valley	Document reviewed - No comments sent
<i>Institutional (schools, government, etc.)</i> LAC170307-05 North Campus Project at Cal State LA	The proposed project consists of the construction of a five-story student housing facility with 1,500 beds, a new 30,000-square-foot sports facility, and a new four to five-level parking structure. The project is located on the southwest corner of Hellman Avenue and Interstate 710 in the City of Los Angeles. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-ncampusprojectsla-032917.pdf Comment Period: 3/3/2017 - 4/17/2017 Public Hearing: 3/21/2017	Draft Environmental Impact Report	California State University	SCAQMD staff commented on 3/29/2017
<i>Institutional (schools, government, etc.)</i> LAC170316-08 Proposed North School Reconstruction Project	The proposed project consists of the demolition of 28,900 square feet of existing structures, removal of 57,560 square feet of asphalt and concrete paving, and construction of two buildings totaling 7,600 square feet on a 38,000-square-foot site to accommodate a maximum enrollment capacity of 510 seats. The project is located at 417 25th Street that is on the northeast corner of 25th Street and Myrtle Avenue in the City of Hermosa Beach. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-northschoolreconstruction-032117.pdf Comment Period: N/A Public Hearing: 3/1/2017	Notice of Preparation	Hermosa Beach City School District	SCAQMD staff commented on 3/21/2017
<i>Institutional (schools, government, etc.)</i> LAC170316-10 Venice High School Comprehensive Modernization Project	The proposed project consists of the demolition of 122,600 square feet of existing structures, and the construction of 101,882 square feet of new classroom buildings. The project is located at 13000 Venice Boulevard on the east corner of Venice Boulevard and Walgrove Avenue in the City of Los Angeles. Comment Period: 3/14/2017 - 4/12/2017 Public Hearing: 3/28/2017	Negative Declaration	Los Angeles Unified School District	Document reviewed - No comments sent

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Institutional (schools, government, etc.)</i> LAC170323-04 ENV-2014-3770: 19519 W. Roscoe Blvd.	The proposed project consists of the demolition of an existing single-family residence, and the construction of a 3,312-square-foot church with 167 seats on 42,518 square feet. The project is located on the northwest corner of Roscoe Boulevard and Shirley Avenue in the Chatsworth-Porter Ranch community. Comment Period: 3/23/2017 - 4/12/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>Institutional (schools, government, etc.)</i> ORC170303-03 Concordia University Conditional Use Permit Modification	The proposed project consists of an update to the Special Development Requirements in Section 9-21-7 of the Zoning Ordinance. The project is located at 1530 Concordia West on the southwest corner of Ridgeline Drive and University Drive. Reference ORC160802-04 and ORC150911-01 Comment Period: 3/3/2017 - 3/16/2017 Public Hearing: 3/16/2017	Notice of Public Hearing	City of Irvine	Document does not require comments
<i>Institutional (schools, government, etc.)</i> ORC170328-05 East Campus Student Apartments Phase IV	The proposed project consists of the demolition of the existing parking lots, and the construction of a 600,000-square-foot residential structure with 1,500 beds and a five-story parking structure on 9.2 acres. The second phase of the project would consist of the construction of a 400,000-square-foot residential structure with 950 beds on 4.1 acres. The project is located on the southeast corner of Campus Drive and California Avenue in the City of Irvine. Comment Period: 3/27/2017 - 4/25/2017 Public Hearing: N/A	Notice of Intent to Adopt a Mitigated Negative Declaration	University of California	Document reviewed - No comments sent
<i>Institutional (schools, government, etc.)</i> ORC170331-01 Irvine Unified School District Eastshore Elementary School	The proposed project consists of the construction of two classrooms that would increase enrollment by 66 students to a maximum capacity of 667. The project is located on the northwest corner of Winterbranch and Eastshore in the City of Irvine. Comment Period: 3/30/2017 - 4/28/2017 Public Hearing: 5/2/2017	Mitigated Negative Declaration	Irvine Unified School District	Under review, may submit written comments

- Project has potential environmental justice concerns due to the nature and/or location of the project. Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

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March 01, 2017 to March 31, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Institutional (schools, government, etc.)</i> RVC170317-04 CARB Southern California Consolidation Project	The proposed project consists of the construction of a 383,000-square-foot motor vehicle emissions testing and research facility on 18 acres. The project is located at 4001 Iowa Avenue on the southwest corner of Iowa Avenue and Everton Place in the City of Riverside. Reference LAC160804-02 Comment Period: 3/17/2017 - 5/1/2017 Public Hearing: 4/18/2017	Draft Environmental Impact Report	California Air Resources Board	Document reviewed - No comments sent
<i>Institutional (schools, government, etc.)</i> SBC170328-06 2016 Campus Master Plan	The proposed project consists of the development of a campus plan to identify facilities and improvements to accommodate approximately 25,000 full-time students by 2035. The project is located on the southeast corner of Sierra Drive and Northpark Boulevard in the City of San Bernardino. Comment Period: 3/28/2017 - 5/11/2017 Public Hearing: 4/20/2017	Draft Environmental Impact Report	California State University	Document reviewed - No comments sent
<i>Medical Facility</i> LAC170316-07 ENV-2016-4283: 14534-14536 W. Burbank Blvd.	The proposed project consists of the demolition of a triplex and accessory structures and the construction of a four-story Eldercare Facility with 58 guest rooms and one-level subterranean parking. The project is located on the southeast corner of the Vesper Avenue and Burbank Boulevard in the Van Nuys-North Sherman Oaks community. Comment Period: 3/16/2017 - 4/5/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>Medical Facility</i> LAC170330-07 ENV-2016-2879: 8070 Beverly Blvd. & 148 N. Crescent Heights Blvd.	The proposed project consists of the demolition of 22,541 square feet of existing buildings and the construction of a 138,786-square-foot eldercare facility with 100 residential units. The project is located on the southeast corner of Beverly Boulevard and North Crescent Heights Boulevard in the community of Wilshire. Comment Period: 3/30/2017 - 4/19/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent

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March 01, 2017 to March 31, 2017**

<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Retail LAC170309-03 ENV-2016-951: 7445 Sunset Blvd.	The proposed project consists of the demolition of five buildings totaling 22,808 square feet, and the construction of a new 36,693-square-foot podium building for retail uses. The project is located on the northeast corner of North Gardner Street and Sunset Boulevard, in the Hollywood community. Comment Period: 3/9/2017 - 3/29/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
Retail RVC170314-01 Goetz Gas Station and Commercial Center (CUP No. 2017-055)	The proposed project consists of the construction of a 1,152-square-foot gas station with four dual pumps on 2 acres. The project is located on the north corner of Goetz Road and Vista Way. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-goetzgasstation-040417.pdf Comment Period: 3/13/2017 - 4/5/2017 Public Hearing: N/A	Site Plan	City of Menifee	SCAQMD staff commented on 4/4/2017
General Land Use (residential, etc.) LAC170301-03 Case Nos. 07-AVDP-002 and TPM 70559	The proposed project consists of constructing a mixed-use commercial and multi-family residential area with 35 apartment units comprising 47,858 square feet, and retail, restaurant and office space comprising 68,918 square feet. Additionally, the project would include an Oak Tree Permit to remove 29 oak trees and 21,271 square feet of scrub oak habitat. The project is located on the southeast corner of Agoura Road and Cornell Road. Reference LAC161227-01 and LAC160707-03 Comment Period: 2/27/2017 - 3/8/2017 Public Hearing: 3/8/2017	Notice of Public Hearing	City of Agoura Hills	Document reviewed - No comments sent
General Land Use (residential, etc.) LAC170302-02 ENV-2016-1955: 1860, 1868 N. Western Ave. & 5440, 5446, 5448 W. Franklin Ave.	The proposed project consists of the demolition of an existing 1,971-square-foot gas station, a 1,876-square-foot single family residence, and a 1,588-square-foot, two-unit residence. The project also consists of the construction of a five-story, mixed-use building with 5,546 square feet of commercial spaces and 96 residential units in a 36,568-square-foot area. The project is located on the southeast corner of Franklin Avenue and North Western Avenue in the Hollywood community. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-1860-n-western-ave-031417.pdf Comment Period: 3/2/2017 - 3/22/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 3/14/2017

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> LAC170302-03 ENV-2016-3900: 3000 W. Exposition Blvd.	The proposed project consists of the demolition of two industrial buildings, and the construction of 78 condominium units totaling 118,638 square feet and 16,428 square feet of open space. The project is located on the northwest corner of 10th Avenue and West Exposition Boulevard in the West Adams-Baldwin Hills-Leimert community. Comment Period: 3/2/2017 - 3/22/2017 Public Hearing: N/A	Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> LAC170302-04 ENV-2016-4517: 7105-7119 N. Tampa Ave.	The proposed project consists of the construction, use, and maintenance of 22 two-story homes. The project is located on Tampa Avenue between Sherman Way and Hart Street in the Reseda-West Van Nuys community. Comment Period: 3/2/2017 - 3/22/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> LAC170307-01 6901 Santa Monica Boulevard Mixed-Use Project (ENV-2015-4612-EIR)	The proposed project consists of the demolition and removal of the existing 54,661-square-foot office and automobile storage buildings and the construction of a seven-story, mixed-use building with 231 units, 15,000 square feet of ground-floor commercial uses, and two levels of subterranean parking on 1.67 acres. The project is located on the northwest corner of Santa Monica Boulevard and North Orange Drive in the Hollywood community. Reference LAC160211-03 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-6901santamonica Blvd-041217.pdf Comment Period: 3/2/2017 - 4/17/2017 Public Hearing: N/A	Draft Environmental Impact Report	City of Los Angeles	SCAQMD staff commented on 4/12/2017
<i>General Land Use (residential, etc.)</i> LAC170307-02 5th and Hill Project (ENV-2016-3766-EIR)	The proposed project consists of the development of a 55- to 57-story building of 261,000 square feet on a 16,663-square-foot lot. The project would include five levels of above-grade parking in a six-story podium, and four levels of below-grade parking. The project is located on the northeast corner of South Hill Street and West 5th Street in the Central City community. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-5thandhill-031717.pdf Comment Period: 3/6/2017 - 4/5/2017 Public Hearing: N/A	Notice of Preparation	City of Los Angeles	SCAQMD staff commented on 3/17/2017

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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> LAC170315-01 1209 6th Avenue (ENV-2014-1988-EIR)	The proposed project consists of the demolition of a 1,068-square-foot church and the construction of two, three-story, 3,424-square-foot, single-family units. The project is located at 1209 6th Avenue on the west corner of 6th Avenue and San Juan Court in the Venice community. Reference LAC161013-09 Comment Period: 3/16/2017 - 5/1/2017 Public Hearing: N/A	Draft Environmental Impact Report	City of Los Angeles	Under review, may submit written comments
<i>General Land Use (residential, etc.)</i> LAC170316-01 ENV-2016-1600: 3154-3160 W. Riverside Drive	The proposed project consists of the removal of the existing zoning requirement for street widening on the project site and the approval of a haul route of 10,919.33 cubic yards of soils. The project is located on the northwest corner of the Riverside Drive and Hyperion Avenue in the Hollywood community. Reference LAC160721-01 Comment Period: 3/16/2017 - 4/17/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> LAC170316-04 ENV-2016-2866: 18341 W. Sherman Way	The proposed project consists of the demolition of a 40,200-square-foot commercial structure, and the construction of two buildings, totaling 129,200 square feet and providing 112 residential units and ground floor retail uses. The project is located on Sherman Way between Etiwanda Avenue and Canby Avenue in the Reseda-West Van Nuys community. Comment Period: 3/16/2017 - 4/5/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> LAC170316-05 ENV-2016-4116: 136 S. Beaudry Ave.	The proposed project consists of the demolition of a one-story medical office building and the construction of a seven-story, 215,575-square-foot, mixed-use building. The project is located on the northeast corner of West 2nd Street and South Beaudry Avenue in the Westlake community. Comment Period: 3/16/2017 - 4/17/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent

- Project has potential environmental justice concerns due to the nature and/or location of the project.
Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<p><i>General Land Use (residential, etc.)</i> LAC170316-06 ENV-2017-299: 5414-5420 S. Crenshaw Blvd.</p>	<p>The proposed project consists of the demolition of a one-story commercial building and the construction of a 50,777-square-foot building with 70 residential units. The project is located on the southeast corner of Crenshaw Boulevard and West 54th Street in the West Adams-Baldwin Hills-Leimert community.</p> <p style="text-align: center;">Comment Period: 3/16/2017 - 4/5/2017 Public Hearing: N/A</p>	<p>Negative Declaration</p>	<p>City of Los Angeles</p>	<p>Document reviewed - No comments sent</p>
<p><i>General Land Use (residential, etc.)</i> LAC170316-09 Major Variance No. 186, Vesting Tentative Tract Map No. 74700, Zone Reclassification No. 323, and General Plan Amendment No. 55</p>	<p>The proposed project consists of the construction of 40 three-story townhomes on 1.7 acres. The project is located on the northwest corner of Cord Avenue and Rivera Road.</p> <p style="text-align: center;">Comment Period: 3/17/2017 - 4/5/2017 Public Hearing: N/A</p>	<p>Mitigated Negative Declaration</p>	<p>City of Pico Rivera</p>	<p>Document reviewed - No comments sent</p>
<p><i>General Land Use (residential, etc.)</i> LAC170322-02 Sand Canyon Plaza Mixed-Use Project</p>	<p>The proposed project consists of the construction of 580 residential dwelling units, 55,600 square feet of retail commercial, a 75,000-square-foot assisted living facility with up to 120 beds, and two roundabouts to its roadway improvements on 87 acres. The project is located on the northeast corner of Soledad Canyon Road and Sand Canyon Road. Reference LAC150501-02 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-sandcanyonplaza-041417.pdf</p> <p style="text-align: center;">Comment Period: 3/3/2017 - 4/17/2017 Public Hearing: 3/21/2017</p>	<p>Draft Environmental Impact Report</p>	<p>City of Santa Clarita</p>	<p>SCAQMD staff commented on 4/14/2017</p>
<p><i>General Land Use (residential, etc.)</i> LAC170323-01 ENV-2013-1736: 2700 N. Woodstock Rd.</p>	<p>The proposed project consists of the demolition of a two-story, 2,642-square-foot single-family building, and the construction of a two-story, 5,468-square-foot single-family building on a 61,733-square-foot lot. The project is located on the east corner of Bulwer Drive and Woodstock Road in the Hollywood community. Reference LAC 160512-12 and LAC140417-02</p> <p style="text-align: center;">Comment Period: 3/23/2017 - 4/12/2017 Public Hearing: N/A</p>	<p>Mitigated Negative Declaration</p>	<p>City of Los Angeles</p>	<p>Document reviewed - No comments sent</p>

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 Documents received by the CEQA Intergovernmental Review program but not requiring review are not included in this report.

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> LAC170330-06 ENV-2016-4191: 18401, 18417, 18419 W. Nordhoff St.	The proposed project consists of the demolition of a single-family residence and 7,758 square feet of medical office, and the construction of a five-story, mixed-use building with 146 apartments and subterranean parking. The project is located on the northwest corner of Nordhoff Street and Darby Avenue in the community of Northridge. Comment Period: 3/30/2017 - 4/19/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> LAC170330-08 ENV-2015-4087: 11460-11488 W. Gateway Blvd., 2426 S. Colby Ave., 2425 S. Butler Ave.	The proposed project consists of the demolition of the existing commercial structures and the construction of a five-story, 88,160-square-foot, multi-family residential building with 129 units and subterranean parking. The project is located on the southeast corner of West Pico Boulevard and Gateway Boulevard in the community of Palms-Mar Vista-DeyRey. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-11460gateway-041217.pdf Comment Period: 3/30/2017 - 4/19/2017 Public Hearing: N/A	Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 4/12/2017
<i>General Land Use (residential, etc.)</i> LAC170330-18 Proposed Del Amo Neighborhood Park Project	The proposed project consists of the construction and operation of a neighborhood park on 8.1 acres. The project is located at 1000 West 204th Street on the southwest corner of West 204th Street and Berendo Avenue in the community of West Carson. Reference LAC170330-17 Comment Period: 3/29/2017 - 4/28/2017 Public Hearing: 4/12/2017	Notice of Intent to Adopt a Mitigated Negative Declaration	County of Los Angeles	Under review, may submit written comments
<i>General Land Use (residential, etc.)</i> ORC170307-07 The Trails at Santiago Creek Project	The proposed project consists of the development of up to 150 single-family units on 50 acres of the 109-acre site. The remaining 59 acres will be developed as natural greenway and open space. The project is located at 6118 East Santiago Canyon Road, northwest of the East Santiago Canyon Road and Orange Park Boulevard intersection. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-trailsatsantiagocreek-031717.pdf Comment Period: 3/3/2017 - 4/3/2017 Public Hearing: 3/16/2017	Notice of Preparation	City of Orange	SCAQMD staff commented on 3/17/2017

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
General Land Use (residential, etc.) RVC170303-01 Plot Plan No. 26192 and Change of Zone No. 07931	The proposed project consists of the change to the zoning classification from Rural-Residential to Manufacturing-Service Commercial for the operation of a vehicle and RV parking yard on 6.9 acres. The project is located on the northeast corner of Rainbow Canyon Road and Interstate 15 in the Southwest Area community. Comment Period: 3/3/2017 - 3/23/2017 Public Hearing: 3/23/2017	Site Plan	County of Riverside	Document does not require comments
General Land Use (residential, etc.) RVC170303-04 Tentative Tract Map No. 37102 (Planning Application No. 2016-038)	The proposed project consists of the construction of 21 single-family homes on 6.03 acres. The project is located on the northwest corner of Ridgemoor Road and Valley Boulevard. Reference RVC161227-07 Comment Period: N/A Public Hearing: 3/15/2017	Notice of Public Hearing	City of Menifee	Document does not require comments
General Land Use (residential, etc.) RVC170303-05 French Valley Specific Plan No. 312, Amendment No. 2, General Plan Amendment No. 1163, Change of Zone No. 7898, and Tentative Tract Map No. 37053 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-frenchvalleypno312-033117.pdf	The proposed project consists of the construction of 753 single-family homes, an elementary school, parks, storm water drainage, detention facilities, open space, and an internal circulation system on 221.5 acres. The project is located on the southwest corner of Keller Road and Leon Road in the Southwest Area, within the boundary of the City of Murrieta. Reference RVC160819-02 and RVC160304-05 Comment Period: 3/2/2017 - 4/16/2017 Public Hearing: N/A	Draft Environmental Impact Report	County of Riverside	SCAQMD staff commented on 3/31/2017
General Land Use (residential, etc.) RVC170323-08 Parcel Map 37228	The proposed project consists of the subdivision of 37 acres into six parcels. The project is located on the northeast corner of State Route 86 and 66th Avenue in the Eastern Coachella Valley Area community. Comment Period: 3/23/2017 - 3/30/2017 Public Hearing: 3/30/2017	Site Plan	County of Riverside	Document does not require comments

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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> RVC170328-02 Ironwood Village	The proposed project consists of the construction of 181 single-family residential units on 68.5 acres. The project is located at the northeast corner of Nason Street and Ironwood Avenue. Reference RVC161129-02 and RVC161117-01 Comment Period: 3/28/2017 - 4/4/2017 Public Hearing: 4/4/2017	Notice of Public Hearing	City of Moreno Valley	Document does not require comments
<i>General Land Use (residential, etc.)</i> SBC170301-01 Chino Annexation Area Project	The proposed project consists of the annexation of 40 acres from the County of San Bernardino into the City of Chino. The project consists of changes to the existing General Plan land use designation and the subdivision of 12 acres into 4 lots to accommodate 44 single-family homes and two water quality basin parcels. The project is on the northwest corner of Pipeline Avenue and Chino Avenue. Comment Period: 2/28/2017 - 3/20/2017 Public Hearing: 3/20/2017	Mitigated Negative Declaration	City of Chino	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> SBC170301-02 Brewer Site Project	The proposed project consists of a change to the existing General Plan land use designation and zoning district for a 29.7-acre property from Residential/Agriculture to Residential. The project is located on the southeast corner of Adams Street and Vernon Avenue. Reference SBC160920-08 and SBC141209-03 Comment Period: 2/25/2017 - 3/6/2017 Public Hearing: 3/6/2017	Notice of Public Hearing	City of Chino	Document does not require comments
<i>General Land Use (residential, etc.)</i> SBC170310-01 Pepper Avenue Specific Plan	The proposed project consists of the construction of 275 multi-family residential units, 462,000 square feet of retail space, 125,000 square feet of business park uses, and a pedestrian bridge connecting the project to Frisbie Park on 101.7 acres. The project will also preserve 30 acres of habitat. The project is located near the northeast corner of Walnut Avenue and Eucalyptus Avenue. Reference SBC160126-05 Comment Period: 3/7/2017 - 4/24/2017 Public Hearing: N/A	Draft Environmental Impact Report	City of Rialto	Under review, may submit written comments

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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>General Land Use (residential, etc.)</i> SBC170322-04 Founder's Village Project	The proposed project consists of the construction of 76 residential units and 6.08 acres of open space on 11.7 acres. The project is located on the southeast corner of Grand Avenue and Founders Drive. Comment Period: 3/21/2017 - 4/10/2017 Public Hearing: 4/4/2017	Mitigated Negative Declaration	City of Chino Hills	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> SBC170323-10 Rancho Palma Specific Plan	The notice consists of a public hearing to approve the proposed project. The project consists of the construction of 120 single-family residential units, 98,000 square feet of commercial uses, two private parks, and a paseo on 41.6 acres. The project is located on the northwest corner of West Little League Drive and Palm Avenue in the Verdernom Heights community. Reference SBC170201-20, SBC160712-01 and SBC160329-01 Comment Period: 3/24/2017 - 4/3/2017 Public Hearing: 4/3/2017	Notice of Public Hearing	City of San Bernardino	Document reviewed - No comments sent
<i>General Land Use (residential, etc.)</i> SBC170328-04 Brewer Site Project	The proposed project consists of a change to the existing General Plan land use designation and zoning district for a 29.7-acre property from Residential/Agriculture to Residential. The project is located on the southeast corner of Adams Street and Vernon Avenue. Reference SBC170301-02, SBC160920-08 and SBC141209-03 Comment Period: 3/26/2017 - 4/4/2017 Public Hearing: 4/4/2017	Notice of Public Hearing	City of Chino	Document does not require comments
<i>Plans and Regulations</i> ALL170324-03 Safer Consumer Products Regulations (R-2016-04)	The proposed project consists of an amendment to the California Code of Regulations, Title 22 (22 CCR), Division 4.5, Chapter 55, Section 69511, and the adoption of Section 69511.2 to identify a Priority Product under the statewide Safer Consumer Products regulations. Comment Period: 3/24/2017 - 5/16/2017 Public Hearing: 5/16/2017	Notice of Public Hearing	Department of Toxic Substances Control	Document does not require comments

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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Plans and Regulations</i> LAC170301-10 Hazard Mitigation Plan	The proposed project consists of the completion of the Hazard Mitigation Plan pursuant to the Disaster Mitigation Act of 2000. The project identifies types of natural disasters that could impact the City and surrounding areas and discusses remedies and action plans to address efforts at minimizing the impact on the community. The project also serves as a guide for decision makers when they commit resources toward reducing the effects of natural hazards. Comment Period: 3/1/2017 - 3/30/2017 Public Hearing: N/A	Hazard Mitigation Plan	City of La Puente	Document does not require comments
<i>Plans and Regulations</i> LAC170302-05 ENV-2016-3432: Citywide	The proposed project consists of an amendment to Section 21.28 of the Los Angeles Municipal Code to establish an Affordable Housing Linkage Fee and to direct the Linkage Fees to the City's Affordable Housing Trust Fund. Comment Period: 3/2/2017 - 3/22/2017 Public Hearing: N/A	Negative Declaration	City of Los Angeles	Document does not require comments
<i>Plans and Regulations</i> LAC170330-11 Downtown Main Street Transit-Oriented District Specific Plan and Master Plan	The proposed project consists of the development of a specific plan for 115 acres within the City's Downtown area. The project would include development standards and guidelines to provide a pedestrian-oriented environment. The project is located on the east corner of Valley Boulevard and the Rio Hondo River. Reference LAC161227-06 Comment Period: 3/26/2017 - 4/4/2017 Public Hearing: 4/4/2017	Notice of Public Hearing	City of El Monte	Document does not require comments
<i>Plans and Regulations</i> ORC170301-06 City of Newport Beach Port Local Coastal Program Certification Permit and Appeal Jurisdiction Map	The proposed project consists of a public hearing and action on a draft map that depicts areas within the City of Newport Beach that are subject to the Commission's permit and appeal jurisdiction after transfer of permit authority pursuant to certification of the Local Coastal Program. Comment Period: 2/27/2017 - 3/3/2017 Public Hearing: 3/8/2017	Notice of Public Hearing	California Coastal Commission	Document does not require comments

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**ATTACHMENT A
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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<p><i>Plans and Regulations</i> ORC170301-07 City of Laguna Beach Local Coastal Program Amendment No. 2-13 (LCP-5-LGB-13-0216-2)</p>	<p>The proposed project consists of changes to the City of Laguna Beach's Local Coastal Program Chapter 25.55 wireless communication facilities of the implementation plan to better reflect current technology and requirements.</p> <p align="center">Comment Period: 2/27/2017 - 3/3/2017 Public Hearing: 3/8/2017</p>	Notice of Public Hearing	California Coastal Commission	Document does not require comments
<p><i>Plans and Regulations</i> ORC170303-02 Local Coastal Program Amendments for the City of Newport Beach</p>	<p>The proposed project consists of three amendments to the City's Coastal Land Use Plan and the Implementation Plan to establish an encroachment program for the City's East Oceanfront, a parking management overlay in Balboa Village, and land use and property development regulations for the Lido Villas Planned Community.</p> <p align="center">Comment Period: N/A Public Hearing: 4/11/2017</p>	Draft Local Coastal Program Amendments	City of Newport Beach	Document does not require comments
<p><i>Plans and Regulations</i> ORC170308-03 Zoning Ordinance Amendment 17-0388 and Local Coastal Program Amendment 17-0389</p>	<p>The proposed project consists of the amendment to the City's Municipal Code Chapter 25.45, relating to historic preservation.</p> <p align="center">Comment Period: N/A Public Hearing: 3/15/2017</p>	Notice of Public Hearing	City of Laguna Beach	Document does not require comments
<p><i>Plans and Regulations</i> ORC170310-02 Esperanza Hills Specific Plan: VTTM 17522</p>	<p>The notice consists of a public hearing on the General Plan Amendment, Zone Change, adoption of a Specific Plan, and certification of Revised Final Environmental Impact Report 616. The proposed project consists of the construction of 340 single-family residential units on 468.9 acres. The project is located northeast of Via Del Agua/Stonehaven Drive and Yorba Linda Boulevard, within the boundary of the City of Yorba Linda. Reference ORC161202-03, ORC161108-07, ORC141209-09, ORC131205-05 and ORC121228-03</p> <p align="center">Comment Period: N/A Public Hearing: 3/22/2017</p>	Notice of Public Hearing	County of Orange	Document reviewed - No comments sent

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**ATTACHMENT A
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<u>SCAQMD LOG-IN NUMBER</u> PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Plans and Regulations</i> ORC170330-15 General Plan Amendment (GPA) 2017-01 and Zoning Change (ZC) 2017-01	This document consists of responses to the SCAQMD staff comments on the Draft Mitigated Negative Declaration for the proposed project. The proposed project consists of the creation of a Transit Oriented Development (TOD) zone classification, land use designation, and related development standards on 28.2 acres located on the southeast corner of the State Highway 57 freeway and the BNSF railroad tracks. Reference ORC170207-03 Comment Period: 3/28/2017 - 4/4/2017 Public Hearing: 4/4/2017	Final Mitigated Negative Declaration	City of Placentia	Under review, may submit written comments
<i>Plans and Regulations</i> RVC170301-05 Vista Soledad	The proposed project consists of the construction of 198 residential homes and the designation of 4.4 acres for open space on 80.9 acres. In 2015, the development of 230 residential units was approved. However, the associated land use amendments and zoning designation were not taken forward for final reading and adoption. The project will reduce the developable area and the number of residential homes from 230 that was approved in 2015 to 198 without changing the density range. The project is located on southwest corner of 60th Avenue and Orchid Court, within the boundary of the City of La Quinta. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-vista-soledad-031017.pdf Comment Period: 2/22/2017 - 3/23/2017 Public Hearing: 3/13/2017	Notice of Preparation of a Draft Supplemental Environmental Impact Report	County of Riverside	SCAQMD staff commented on 3/10/2017

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ATTACHMENT B*
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
Goods Movement LAC161216-06 Pier B On-Dock Rail Support Facility Project (12th Street Alternative)	The proposed project consists of the reconfiguration and expansion of the Pier B On-Dock Rail Support Facility which actions are to: (a) provide a sufficient facility to accommodate the expected demand of cargo to be moved via on-dock rail into the foreseeable future; (b) maximize on-dock intermodal operations to reach the long-term goal of 30 to 35 percent of cargo containers to be handled by on-dock rail; (c) provide a facility that can accept and handle longer container trains; and (d) provide a rail yard that is cost effective and fiscally prudent. The project site is located in two Planning Districts (the Northeast Harbor and North Harbor), and includes the Wilmington-Harbor City Community Plan Area of the City of Los Angeles. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-pierbondockrailsupportfac-031317.pdf Comment Period: 12/15/2016 - 2/13/2017 Public Hearing: 1/18/2017	Draft Environmental Impact Report	Port of Long Beach	SCAQMD staff commented on 3/13/2017
Goods Movement LAC170127-01 Pier B On-Dock Rail Support Facility Project	This notice is to extend the public comment period for the Draft Environmental Impact Report. The proposed project consists of the reconfiguration and expansion of the Pier B On-Dock Rail Support Facility which actions are to: (a) provide a sufficient facility to accommodate the expected demand of cargo to be moved via on-dock rail into the foreseeable future; (b) maximize on-dock intermodal operations to reach the long-term goal of 30 to 35 percent of cargo containers to be handled by on-dock rail; (c) provide a facility that can accept and handle longer container trains; and (d) provide a rail yard that is cost effective and fiscally prudent. The proposed project site is located in two Planning Districts (the Northeast Harbor and North Harbor), and includes the Wilmington-Harbor City Community Plan Area of the City of Los Angeles. Reference LAC161216-06 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-pierbondockrailsupportfac-031317.pdf Comment Period: 1/27/2016 - 3/13/2017 Public Hearing: 2/15/2017	Notice of Availability of a Draft Environmental Impact Report	Port of Long Beach	SCAQMD staff commented on 3/13/2017
Warehouse & Distribution Centers SBC170215-01 Alliance California Gateway South Building 4 Project	The proposed project consists of the demolition and removal of the existing golf course uses and structures and the construction and operation of one high cube logistics warehouse building on 62.02 acres. The project includes a 1,063,852-square-foot building with landscaping, a detention basin, utility infrastructure, and other associated improvements. The project would also relocate one on-site water well and decommission several other existing on-site water wells. The project is located at 1494 S. Waterman Avenue, which is south of Dumas Street, west of South Waterman Avenue, north of the Santa Ana River, and east of the San Bernardino Flood Control Channel (Twin Creek). http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-alliance-california-030317.pdf Comment Period: 2/14/2017 - 3/15/2017 Public Hearing: 2/28/2017	Notice of Preparation	County of San Bernardino	SCAQMD staff commented on 3/3/2017

*Sorted by Comment Status, followed by Land Use, then County, then date received.

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ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
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SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Airports</i> LAC170223-04 Los Angeles International Airport (LAX) Terminals 2 and 3 Modernization	The proposed project consists of the modernization to Terminals 2 and 3 at LAX. The modernization will include the demolition of the existing service areas and the construction of 832,000 square feet of new building space, resulting in a total square footage of 1,620,010 square feet of building space. The project is scheduled to be completed in stages over 76 months beginning in 2017. The project is located at 1 World Way within the Central Terminal Area of LAX between Terminal 1 to the east and the Tom Bradley International Terminal to the west. Reference LAC160811-03 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-laxt2t3modernization-040517.pdf Comment Period: 2/23/2017 - 4/10/2017 Public Hearing: 3/21/2017	Draft Environmental Impact Report	Los Angeles World Airports	SCAQMD staff commented on 4/5/2017
<i>Industrial and Commercial</i> LAC170223-01 ENV-2016-2995: 3242 W. 8th Street and 811 S. Mariposa Avenue	The proposed project consists of the demolition of all structures on a 18,936-square-foot lot and the construction, use, and maintenance of a five-story, 55,434-square-foot apartment hotel with 86 units over a subterranean parking garage. A total of 10,000 cubic yards will be exported. The project is located at the southwest corner of West 8th Street and South Mariposa Avenue. Reference LAC161103-01 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-env-2016-2995-030317.pdf Comment Period: 2/23/2017 - 3/15/2017 Public Hearing: N/A	Notice of Availability of a Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 3/3/2017
<i>Industrial and Commercial</i> RVC170222-02 Pilot Flying J Travel Center Project	The proposed project consists of the development of a 15,220-square-foot building and associated amenities on 11.95 acres. The amenities include: (1) vehicular fueling facilities for 12 diesel truck lanes and 16 gas lanes for passenger vehicles; (2) parking spaces to accommodate 104 trucks, 22 bobtails (trucks without a trailer), and 69 passenger vehicles; (3) a truck scale; (4) underground diesel fuel and gasoline storage tanks; and (5) a 100-foot high pylon sign. The project is located at the southwest corner of Mission Boulevard and Etiwanda Avenue. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-pilot-flying-j-travel-center-031017.pdf Comment Period: 2/21/2017 - 3/22/2017 Public Hearing: 3/2/2017	Notice of Preparation	City of Jurupa Valley	SCAQMD staff commented on 3/10/2017
<i>Industrial and Commercial</i> RVC170223-09 Town Square Marketplace Development Plan	The proposed project consists of the construction of a 77,726-square-foot commercial center comprised of two three-story buildings with basements. The project is located on either side of the Town Square on Main Street, northwest of the 3rd Street and Mercedes Street intersection. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-town-square-marketplace-030317.pdf Comment Period: 2/16/2017 - 3/9/2017 Public Hearing: N/A	Site Plan	City of Temecula	SCAQMD staff commented on 3/3/2017

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OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<i>Waste and Water-related</i> LAC170127-05 Malibu Creek Ecosystem Restoration Project	The proposed project consists of restoring aquatic and riparian habitat connectivity along Malibu Creek and tributaries, establishing a more natural sediment regime from the watershed to the shoreline, and restoring aquatic and riparian habitat of 15 miles along Malibu Creek and tributaries. The project is located southwest of the Mulholland Highway and Las Virgenes Road intersection. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/deir-malibucreekrestoration-032417.pdf Comment Period: 1/27/2017 - 3/27/2017 Public Hearing: 3/1/2017	Feasibility Study	California Department of Parks and Recreation	SCAQMD staff commented on 3/24/2017
<i>Waste and Water-related</i> LAC170223-05 Santa Clarita Valley Sanitation District Chloride Compliance Project EIR- Separation of Recycled Water Project	The proposed project consists of the construction of chloride compliance facilities to remove chloride from the wastewater coming to the Santa Clarita Valley Sanitation District's water reclamation plants (WRPs). The project includes UV disinfection at the Saugus and Valencia WRPs and advanced water treatment for chloride compliance and brine concentration at the Valencia WRP, with brine disposal by limited trucking to the Joint Water Pollution Control Plant in Carson, California. The project is based on the two prior related projects: (1) the 2013 Santa Clarita Valley Chloride Compliance Facilities Plan and (2) the 2015 Limited Trucking Project which limited trucking of concentrated brine (an average of six truckloads per day, 10 maximum) to an existing industrial facility. The project is located at 26200 Springbrook Avenue, southeast of the Bouquet Canyon Road and Springbrook Avenue intersection, in the City of Saugus, and at 28185 The Old Road, northwest of The Old Road and Rye Canyon Road intersection, in the City of Valencia. Reference LAC130424-03, LAC151118-03 and LAC160315-04 http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-santa-clarita-valley-sanitation-district-031017.pdf Comment Period: 2/17/2017 - 3/20/2017 Public Hearing: 3/7/2017	Notice of Preparation	Sanitation Districts of Los Angeles County	SCAQMD staff commented on 3/10/2017
<i>Utilities</i> LAC170222-04 Verizon Wireless "Valla" Monopine	The proposed project consists of the construction of a 54-foot tall wireless telecommunications facility disguised as a pine tree (monopine) on a 0.38-acre parcel that is currently developed with a 6,648-square-foot building. The project will have a 200-square-foot exterior space to house the monopine, two equipment cabinets, and one 15-kilowatt diesel standby generator. The project is located at 11822 Burke Street, on the southeast corner of Burke Street and Dice Road. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nd-valla-monopine-030317.pdf Comment Period: 2/17/2017 - 3/9/2017 Public Hearing: 3/13/2017	Notice of Intent to Adopt a Negative Declaration	City of Santa Fe Springs	SCAQMD staff commented on 3/3/2017
<i>Utilities</i> RVC170223-06 T-Mobile Site IE94222A Monopole	The proposed project consists of a temporary wireless telecommunications facility that includes the installation of a 63-foot flower-pot monopole to include three panel antennas. All associated ground equipment will be placed in cabinets adjacent to the proposed monopole. The project is located at 36785 Brookside Avenue, southeast of the Interstate 10 and Brookside Avenue intersection. http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/sp-36785-brookside-ave-030317.pdf Comment Period: 2/16/2017 - 3/10/2017 Public Hearing: N/A	Site Plan	City of Beaumont	SCAQMD staff commented on 3/3/2017

- Project has potential environmental justice concerns due to the nature and/or location of the project.

ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
<p><i>General Land Use (residential, etc.)</i></p> <p>LAC170221-02 Bow Tie Yard Lofts Project</p>	<p>The proposed project consists of the development of five buildings with a total of 419 multi-family residential units (approximately 423,872 square feet) in four buildings ranging from five to six stories, and approximately 64,000 square feet of commercial space which would include a mix of restaurant uses, office space, and an approximately 42,000-square-foot urban farm on 5.7 acres. A seven-story parking garage would provide 720 on-site parking spaces with the seventh level parking area to include an urban farm/greenhouse. Open space areas and recreational amenities would include approximately 58,176 square feet. The project is located at 2750-2800 W. Casitas Avenue, bounded by the Glendale Freeway (SR 2) to the north and west, and the Los Angeles River to the south, in the Glassell Park community.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-bow-tie-yard-lofts-030317.pdf</p> <p>Comment Period: 2/16/2017 - 3/17/2017 Public Hearing: 3/1/2017</p>	Notice of Preparation	City of Los Angeles	SCAQMD staff commented on 3/3/2017
<p><i>General Land Use (residential, etc.)</i></p> <p>LAC170223-02 ENV-2016-1040: 1005-1013 Everett St.</p>	<p>The proposed project consists of the construction of two residential buildings with a total of 50 units and basement parking on a vacant parcel. The project is located northeast of the Everett Street and Sunset Boulevard intersection, in the Silver Lake-Echo Park community.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-everett-street-030717.pdf</p> <p>Comment Period: 2/23/2017 - 3/15/2017 Public Hearing: N/A</p>	Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 3/7/2017
<p><i>General Land Use (residential, etc.)</i></p> <p>LAC170223-03 ENV-2016-2477: 1370, 1374, 1410 & 1416-1418 S. Flower Street</p>	<p>The proposed project consists of the construction of a seven-story, mixed-use building with 147 units, and either five joint live/work units plus 1,184 square feet of retail/restaurant or no joint live/work units and 6,741 square feet of retail/restaurant space. Two levels of parking would be built below grade. The project is located north of the Venice Boulevard and South Pembroke Lane intersection, in the Central City community.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-1370-s-flower-st-031017.pdf</p> <p>Comment Period: 2/23/2017 - 3/28/2017 Public Hearing: N/A</p>	Mitigated Negative Declaration	City of Los Angeles	SCAQMD staff commented on 3/10/2017
<p><i>General Land Use (residential, etc.)</i></p> <p>LAC170223-08 6AM Project</p>	<p>The proposed project consists of the demolition of a produce warehouse and distribution facility and the construction of a 412-room hotel, 1,305 apartments, 431 for-sale condominium units, a 29,316-square-foot school, 253,514 square feet of office space, 127,609 square feet of commercial space, and 22,429 square feet of art space within seven new buildings dispersed across 15 acres. In total, the project would include 2,824,245 square feet of floor area. The project is located at 1206-1338 East 6th Street and 1205-1321 Wholesale Street, southeast of the East 6th Street and Alameda Street intersection, in the Central City North community.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-6am-031017.pdf</p> <p>Comment Period: 2/22/2017 - 3/23/2017 Public Hearing: 3/9/2017</p>	Notice of Preparation	City of Los Angeles	SCAQMD staff commented on 3/10/2017

- Project has potential environmental justice concerns due to the nature and/or location of the project.

ATTACHMENT B
ONGOING ACTIVE PROJECTS FOR WHICH SCAQMD HAS
OR IS CONTINUING TO CONDUCT A CEQA REVIEW

SCAQMD LOG-IN NUMBER PROJECT TITLE	PROJECT DESCRIPTION	TYPE OF DOC.	LEAD AGENCY	COMMENT STATUS
General Land Use (residential, etc.) RVC170224-02 Villa Verona Apartment Community	<p>The proposed project consists of the construction of a multi-family residential development with 372 dwelling units on 17.33 acres. The project consists of two- to three-story buildings with amenities. The project is located west of Interstate 215, north of Metz Road and east of "A" Street.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-villaveronaapt-031717.pdf</p> <p style="text-align: center;">Comment Period: 2/24/2017 - 3/26/2017 Public Hearing: N/A</p>	Mitigated Negative Declaration	City of Perris	SCAQMD staff commented on 3/17/2017
Plans and Regulations LAC170208-01 Central City and Central City North Community Plan Update	<p>The proposed project consists of 1) updating the Central City Community Plan and the Central City North Community Plan (Downtown Plans), 2) amending the City of Los Angeles Municipal Code to adopt new zoning regulations for the Downtown Plan Area as part of the re:code LA program (Downtown Zoning Code), and 3) making all other necessary amendments to the Framework Element, Mobility Plan, and other General Plan elements, specific plans, the LAMC, and other ordinances to implement the above. The Central City Community Plan area is comprised of 2,161 acres and is bounded on the north by Sunset Boulevard/Cesar Chavez Avenue, on the south by Interstate 10, on the west by Interstate 110, and on the east by Alameda Street. Immediately to the east of Alameda Street is the Central City North Community Plan Area, which is comprised of 2,005 acres and is bounded on the north by Stadium Way, Lilac Terrace and North Broadway, on the south by the City of Vernon, on the west by Alameda Street, and on the east by the Los Angeles River. The project is bordered by the communities of Boyle Heights, Silver Lake-Echo Park, Westlake, Southeast and South Los Angeles, and the City of Vernon.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/nop-central-city-and-central-city-north-030317.pdf</p> <p style="text-align: center;">Comment Period: 2/6/2017 - 3/6/2017 Public Hearing: 2/16/2017</p>	Notice of Preparation	City of Los Angeles	SCAQMD staff commented on 3/3/2017
Plans and Regulations ORC170207-03 GPA 2017-01 and ZC 2017-01 to Establish the Packing House District Transit Oriented Development District	<p>The proposed project consists of the creation of a Transit Oriented Development (TOD) zone classification, land use designation, and related development standards on 28.2 acres located north and south of Crowther Avenue, east of the State Highway 57 Freeway, south of the BNSF railroad tracks, and west of the extension of Bradford Avenue.</p> <p>http://www.aqmd.gov/docs/default-source/ceqa/comment-letters/2017/mnd-packing-house-district-tod-030317.pdf</p> <p style="text-align: center;">Comment Period: 2/3/2017 - 3/6/2017 Public Hearing: N/A</p>	Mitigated Negative Declaration	City of Placentia	SCAQMD staff commented on 3/3/2017

- Project has potential environmental justice concerns due to the nature and/or location of the project.

**ATTACHMENT C
ACTIVE SCAQMD LEAD AGENCY PROJECTS
THROUGH MARCH 31, 2017**

PROJECT DESCRIPTION	PROPONENT	TYPE OF DOCUMENT	STATUS	CONSULTANT
<p>Tesoro Refinery proposes to integrate the Tesoro Wilmington Operations with the Tesoro Carson Operations (former BP Refinery). The proposed project also includes modifications of storage tanks at both facilities, new interconnecting pipelines, and new electrical connections. In addition, Carson's Liquid Gas Rail Unloading facilities will be modified. The proposed project will be designed to comply with the federally mandated Tier 3 gasoline specifications and with State and local regulations mandating emission reductions.</p>	<p>Tesoro Refining and Marketing Company Los Angeles Refinery</p>	<p>Environmental Impact Report (EIR)</p>	<p>The comment period for the Draft EIR closed on June 10, 2016. Responses to comments are being prepared. Written responses to public agencies were sent on March 7, 2017 and March 9, 2017.</p>	<p>Environmental Audit, Inc.</p>
<p>The Phillips 66 (formerly ConocoPhillips) Los Angeles Refinery Ultra Low Sulfur Diesel project was originally proposed to comply with federal, state and SCAQMD requirements to limit the sulfur content of diesel fuels. Litigation against the CEQA document was filed. Ultimately, the California Supreme Court concluded that the SCAQMD had used an inappropriate baseline and directed the SCAQMD to prepare an EIR, even though the project has been built and has been in operation since 2006. The purpose of this CEQA document is to comply with the Supreme Court's direction to prepare an EIR.</p>	<p>Phillips 66 (formerly ConocoPhillips), Los Angeles Refinery</p>	<p>Environmental Impact Report (EIR)</p>	<p>The Notice of Preparation/Initial Study (NOP/IS) was circulated for a 30-day public comment period on March 26, 2012 to April 26, 2012. The consultant submitted the administrative Draft EIR to SCAQMD in late July 2013. The Draft EIR was circulated for a 45-day public review and comment period from September 30, 2014 to November 13, 2014. Two comment letters were received and responses to comments are being prepared.</p>	<p>Environmental Audit, Inc.</p>
<p>Quemetco is proposing an increase in the daily furnace feed rate.</p>	<p>Quemetco</p>	<p>Environmental Impact Report (EIR)</p>	<p>A Notice of Preparation/Initial Study (NOP/IS) has been prepared by the consultant and is under review by SCAQMD staff.</p>	<p>Trinity Consultants</p>

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 15

REPORT: Rule and Control Measure Forecast

SYNOPSIS: This report highlights SCAQMD rulemaking activities and public workshops potentially scheduled for 2017.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

PMF:SN:AFM:RM

The tables below summarize changes to the schedule since last month's Rule and Control Measure Forecast Report. Staff will continue to work with all stakeholders as these projects move forward.

1118	Control of Emissions from Refinery Flares
Rule 1118 is moving from June to July as staff is working on the proposal and needs an additional month to review U.S. EPA's Refinery Sector Rule, develop proposed rule language, and work with stakeholders.	

2017 MASTER CALENDAR

**An asterisk indicates that the rulemaking is a potentially significant hearing.*

+This proposed rule will reduce criteria air contaminants and assist toward attainment of ambient air quality standards.

2017

June		
Reg. III	<p>Fees Proposed amendments to Regulation III consist of: 1) a 2.5% across-the-board California Consumer Price Index increase for most fees; 2) an additional increase of 16% in each of the next two (2) FYs, in permit-related services; and 3) an additional increase of 4% in each of the next two (2) FYs, in permit-related services for non-Title V facilities.</p> <p style="text-align: right;"><i>Carol Gomez 909.396.3264 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1147*	<p>NOx Reductions from Miscellaneous Sources Proposed Amended Rule 1147 will modify emission limits for certain source categories based on findings and recommendations from the Rule 1147 Technology Assessment.</p> <p style="text-align: right;"><i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (continued)

2017 (continued)

July	Title and Description	Type of Rulemaking
1118 ⁺	<p>Control of Emissions from Refinery Flares The proposed amendments would address emissions from flaring during external events like power failures on the local grid and from flaring events caused by refinery activities. <i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1466	<p>Toxic Air Contaminant Emissions from Decontamination of Soil Proposed Rule 1466 will establish requirements to control toxic particulate emissions from activities involving storing, handling and transporting soils during soil decontamination activities. <i>Susan Nakamura 909.396.3105 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
September		
1148.3	<p>Requirements for Underground Gas Storage Proposed Rule 1148.3 will establish requirements to address public nuisance and VOC emissions from underground natural gas storage facilities. <i>Susan Nakamura 909.396.3105 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1168	<p>Adhesive and Sealant Applications (CTS-02) Amendments to Rule 1168 will partially implement CTS-02 and reflect improvements in adhesive and sealant technology, as well as remove outdated provisions and include minor clarifications. <i>Michael Krause 909.396.2706 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1401	<p>New Source Review of Toxic Air Contaminants Amendments will update requirements for gas stations and paint booths, and will consider additional administrative changes. <i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
2202	<p>On-Road Motor Vehicle Mitigation Options Rule 2202 will be amended to enhance emission reductions obtained from the Employee Commute Reduction Program (ECRP) rule option. <i>Carol Gomez 909.396.3264 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
415 [*]	<p>Odors from Animal Rendering Facilities Proposed Rule 415 will establish requirements to reduce odors created during animal rendering operations. The proposed rule will establish Best Management Practices, and will consider enclosure, odor control requirements for the receipt and processing of rendering material and wastewater, and possibly requirements for an Odor Mitigation Plan. <i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (continued)

2017 (continued)

October	Title and Description	Type of Rulemaking
Reg. IX Reg. X	<p>Standards of Performance for New Stationary Sources National Emission Standards for Hazardous Air Pollutants</p> <p>Amendments to Regulations IX and X are periodically made to incorporate by reference new or amended federal performance standards that have been enacted by U.S. EPA for stationary sources. Regulations IX and X provide stationary sources with a single point of reference for determining which federal and local requirements apply to their specific operations.</p> <p align="center"><i>Carol Gomez 909.396.3264 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1407* 1407.1	<p>Control of Emissions of Arsenic, Cadmium and Nickel from Non-Ferrous Metal Operations</p> <p>Proposed Rule 1407 will establish additional requirements to minimize air toxics from metal operations. Staff is analyzing sources subject to Rule 1407 and may develop a separate Rule 1407.1 for the largest sources subject to Rule 1407.</p> <p align="center"><i>Susan Nakamura 909.396.3105 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
November		
1118.1	<p>Control of Emissions from Non-Refinery Flares</p> <p>Proposed Rule 1118.1 will seek to reduce emissions from flaring at non-refinery facilities, including alternate uses of gases. The rule would require the installation of newer flares implementing Best Available Control Technology at sources such as landfills, wastewater treatment plants, and oil and gas production facilities. Alternate uses of flare gas would be encouraged, especially for facilities that, for example, would clean it for use as a transportation fuel, process it to become pipeline-quality dry natural gas, or direct it to equipment that can convert its energy into power and/or heat.</p> <p align="center"><i>Michael Krause 909.396.2706 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1180	<p>Refinery Fenceline and Community Monitoring</p> <p>Proposed Rule 1180 will establish the requirements for fenceline and community monitoring at petroleum refineries.</p> <p align="center"><i>Susan Nakamura 909.396.3105 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (continued)

2017 (continued)

November (continued)	Title and Description	Type of Rulemaking
1420	<p>Emission Standard for Lead In October 2008, U.S. EPA lowered the National Ambient Air Quality Standard (NAAQS) for lead from 1.5 to 0.15 µg/m³. Proposed Rule 1420 will establish requirements for lead-emitting sources that are not covered under Rules 1420.1 and Rule 1420.2 to ensure compliance with the lead NAAQS.</p> <p align="center"><i>Susan Nakamura 909.396.3105 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1435	<p>Control of Emissions from Metal Heat Treating Processes Proposed Rule 1435 would establish requirements to reduce metal particulate emissions from heat treating processes.</p> <p align="center"><i>Susan Nakamura 909.396.3105 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
December		
1153.1	<p>Emissions of Oxides of Nitrogen from Commercial Food Ovens Rule 1153.1 was adopted in November 2014 and established NOx emission limits for various types of existing commercial food ovens on a specified compliance schedule. Amendments may be necessary to address applicability and technological feasibility of low-NOx burner technologies for new commercial food ovens.</p> <p align="center"><i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1410*	<p>Hydrogen Fluoride Use at Refineries Proposed Rule 1410 will establish requirements for use of hydrogen fluoride at refineries.</p> <p align="center"><i>Michael Krause 909.396.2706 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1426*	<p>Emissions from Metal Finishing Operations Proposed amendments to Rule 1426 will establish requirements to reduce nickel, cadmium and other air toxics from plating operations.</p>	Toxics
1469*	<p>Hexavalent Chromium Emissions from Chromium Electroplating and Chromic Acid Anodizing Operations Proposed Amended Rule 1469 will strengthen requirements to address potential fugitive emissions from hexavalent chrome plating and anodizing operations.</p> <p align="center"><i>Susan Nakamura 909.396.3104 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Toxics
1445	<p>Control of Toxic Emissions from Laser Arc Cutting Proposed Rule 1445 will establish requirements to reduce toxic metal particulate emissions from laser arc cutting.</p> <p align="center"><i>Susan Nakamura 909.396.3105 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Toxics

2017 MASTER CALENDAR (continued)

2017 To-Be-Determined

To-Be-Determined	Title and Description	Type of Rulemaking
102	<p>Definition of Terms Staff may amend Rule 102 to add or revise definitions to support amendments to other Regulation XI rules. <i>Susan Nakamura 909.396.3105 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
223	<p>Emission Reduction Permits for Large Confined Animal Facilities Proposed Amended Rule 223 will seek additional emission reductions from large confined animal facilities by lowering the applicability threshold. <i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
224	<p>Incentives for Super-Compliant Technologies Proposed Rule 224 will outline strategies and requirements to incentivize the development, establishment and use of super-compliant technologies. It may be considered as a part of Rule 219 amendments or proposed as a separate incentive. <i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
416	<p>Odors from Kitchen Grease Processing Proposed Rule 416 will reduce odors created during kitchen grease processing operations. The proposed rule will establish best management practices, and examine enclosure requirements for wastewater treatment operations and filter cake storage. The proposed rule may also contain requirements for an Odor Mitigation Plan. <i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
430	<p>Breakdown Provisions This rule will be amended or replaced to address specific issues raised by U.S. EPA regarding start-ups or shutdowns associated with breakdowns. <i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	AQMP

2017 MASTER CALENDAR (continued)

2017 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
<p>1106 1106.1</p>	<p>Marine Coating Operations Pleasure Craft Coating Operations (This item was previously submitted to the Board, but rejected. It will be brought back for Board direction.) The proposed amendment is two-fold: first, Rule 1106.1 is proposed to be rescinded and second, Rule 1106 would subsume the requirements of 1106.1, and revise VOC content limits for pretreatment wash primers, antenna, repair and maintenance thermoplastic, inorganic zinc, and specialty marking coatings in order to align limits with U.S. EPA Control Techniques Guidelines and other California air districts, and add new categories for marine aluminum antifoulant, mist, nonskid and organic zinc coatings and marine deck primer sealant. The proposed amendment would also add provisions for pollution prevention measures, enhanced enforceability, and to promote clarity and consistency. <i>Philip Fine 909.396.2239 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	<p>Other</p>
<p>1107⁺</p>	<p>Coating of Metal Parts and Products (CTS-02) Potential amendments to Rule 1107 would further reduce VOC emissions and improve rule clarity and enforceability. <i>Philip Fine 909.396.2239 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	<p>AQMP</p>
<p>1113</p>	<p>Architectural Coatings Depending on the final recommendations of the tBAC white paper and the actions of the Scientific Review Panel for the Office of Environmental Health Hazard Assessment (OEHHA), reassessment of the limited tBAC exemption in the Rule will occur. <i>Philip Fine 909.396.2239 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	<p>Other</p>

2017 MASTER CALENDAR (continued)

2017 To- Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
<p align="center">1111</p> <p align="center">1111.1</p>	<p>Reduction of NOx Emissions from Natural Gas Fired, Fan-Type Central Furnaces Rule 1111 may be amended to address compliance challenges.</p> <p>Reduction of NOx Emissions from Natural Gas Fired Commercial Furnaces (CMB-01) Proposed Rule 1111.1 will establish equipment-specific nitrogen oxides emission limits and other requirements for the operation of commercial space heaters.</p> <p align="center"><i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	<p align="center">AQMP</p>
<p align="center">1123⁺</p>	<p>Refinery Process Turnarounds (MCS-03) Proposed amendments will implement Control Measure MSC-03 of the 2007 AQMP by establishing procedures that better quantify emission impacts from start-up, shutdown or turnaround activities.</p> <p align="center"><i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	<p align="center">AQMP</p>
<p align="center">1135</p>	<p>Emissions of Oxides of Nitrogen from Electric Power Generating Systems At the December 4, 2015 Board meeting, Rule 2001 - Applicability was amended, allowing for an off-ramp from the NOx RECLAIM program for electricity generating facilities (EGF) operating at Best Available Control Technology (BACT) or Best Available Retrofit Control Technology (BARCT) NOx emission levels. Any EGF that opts out of the NOx RECLAIM program will need to comply with the proposed amendments to Rule 1135 – Emissions of Oxides of Nitrogen from Electric Power Generating Systems. The primary purpose of these proposed amendments is for the EGF facility to maintain compliance with the NOx RECLAIM emission limits. The EGF owner or operator would need to comply with the newly developed Rule 1135 source-specific requirements no later than three years after approval of their Rule 2001 opt-out plan.</p> <p align="center"><i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	<p align="center">Other</p>

2017 MASTER CALENDAR (continued)

2017 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1136* ⁺ 1450*	<p>Wood Products Coatings (CTS-02) Amendments may be proposed to existing rule limits and other provisions.</p> <p>Control of Methylene Chloride Emissions The proposed rule is to reduce exposure to methylene chloride from furniture stripping, remove potential regulatory loopholes, achieve emission reductions where possible and cost effective, include reporting requirements, and clarify the rule language to improve consistency with other SCAQMD VOC rules.</p> <p align="center"><i>Philip Fine 909.396.2239 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	AQMP Toxics
1142	<p>Marine Tank Vessel Operations Revisions to Rule 1142 are proposed to address VOC emissions from marine tank vessel operations and provide clarifications.</p> <p align="center"><i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1146, 1146.1, 1146.2* ⁺	<p>Emissions of Oxides of Nitrogen Amendments to Rules 1146, 1146.1, and 1146.2 may be necessary to respond to advancements in ultra-low NOx burner technology and selective catalytic reduction (SCR) applicability.</p> <p align="center"><i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1148.1 1148.2	<p>Oil and Gas Production Wells</p> <p>Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers Amendments to Rule 1148.2 may be needed to address community notification procedures, the inclusion of water injection wells, and potentially other measures based on an evaluation of information collected since the last rule adoption.</p> <p align="center"><i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1150.1	<p>Control of Gaseous Emissions from Municipal Solid Waste Landfills Proposed amendments will address U.S. EPA revisions to the Standards of Performance for Municipal Solid Waste Landfills (NSPS) and Existing Guidelines and Compliance Timelines (EG) for Municipal Solid Waste Landfills, as well as CARB GHG requirements.</p> <p align="center"><i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (continued)

2017 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
1151	<p>Motor Vehicle and Mobile Equipment Non-Assembly Line Coating Operations Depending on the final recommendations of the tBAC white paper and the actions of the Scientific Review Panel for the Office of Environmental Health Hazard Assessment (OEHHA), reassessment of the limited tBAC exemption in the Rule will occur. <i>Philip Fine 909.396.2239 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1173 ⁺	<p>Control of Volatile Organic Compound Leaks and Releases from Components at Petroleum Facilities and Chemical Plants Proposed revisions to Rule 1173 are being considered based on recent U.S. EPA Regulations and CARB’s oil and gas regulations. <i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1177 ⁺	<p>Liquefied Petroleum Gas Transfer and Dispensing (2012 AQMP FUG-02) Potential amendments may be proposed to include additional sources of emissions from the dispensing and transfer of LPG. <i>Philip Fine 909.396.2239 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1188 ⁺	<p>VOC Reductions from Vacuum Trucks (FUG-01) The proposed rule will establish VOC emission standards and other requirements associated with the operation of vacuum trucks not covered by Rule 1149 – Storage Tank and Pipeline Cleaning and Degassing. <i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
1190, 1191, 1192, 1193, 1194, 1195, 1196, and 1186.1	<p>Fleet Vehicle Requirements Amendments to Rule 1190 series fleet rules may be necessary to address implementation. In addition, the current fleet rules may be expanded to achieve additional air quality and air toxic benefits. <i>Dean Saito 909.396.2647 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other

2017 MASTER CALENDAR (continued)

2017 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
<p>1304.2</p> <p>1304.3</p>	<p>California Public Utilities Commission Regulated Electrical Local Publicly Owned Electrical Utility Fee for Use of SO_x, PM₁₀ and NO_x Offsets</p> <p>Local Publicly Owned Electrical Generating Facility Fee for Use of SO_x, PM₁₀ and NO_x Offsets</p> <p>Proposed Rules 1304.2 and 1304.3 would allow new greenfield facilities and additions to existing electrical generating facilities conditioned access to SCAQMD internal offset accounts for a fee, for subsequent funding of qualifying improvement projects consistent with the AQMP.</p> <p>Proposed Rule 1304.2 will provide offsets so that new, proposed and other existing electrical generating facilities can compete on a level playing field with existing generating facilities with utility steam boilers, and implement the State’s plan to maintain grid reliability.</p> <p>Proposed Rule 1304.3 will provide offsets so that new, proposed and other existing electrical generating facilities run by local municipalities can meet the electricity reliability needs of their customers.</p> <p align="right"><i>Tracy Goss 909.396.3106 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	<p>Other</p> <p>Other</p>
<p>1470*</p>	<p>Requirement for Stationary Diesel-Fueled Internal Combustion and Other Compression Ignition Engines at Sensitive Receptors</p> <p>The proposal would address new and existing small (≤ 50 brake horsepower) diesel engine emissions located near sensitive receptors such as schools, preschools, daycare centers and health care facilities. Staff is also considering amendments to minimize use of stationary diesel back-up engines that may include use of alternative power sources that are substantially less polluting.</p> <p align="right"><i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	<p>Toxics</p>
<p>Reg. XVI</p>	<p>Mobile Source Offset Programs</p> <p>Amendments to various Regulation XVI rules will be proposed to address the recent U.S. EPA proposed disapproval of such rules including Rule 1610.</p> <p align="right"><i>Henry Hogo 909.396.3184 CEQA and Socio: Wong 909.396.3176</i></p>	<p>Other</p>

2017 MASTER CALENDAR (continued)

2017 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
Reg. XVII	<p>Prevention of Significant Deterioration Proposed amendments to Regulation XVII will align the SCAQMD's Prevention of Significant Deterioration program with federal requirements. <i>Carol Gomez 909.396.3264 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1902	<p>Transportation Conformity Amendments to Rule 1902 may be necessary to bring the District's Transportation Conformity rule in line with current U.S. EPA requirements. <i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
1905	<p>Pollution Controls for Automotive Tunnel Vents This proposed rule would address emissions from proposed roadway tunnel projects that could have air quality impacts. <i>Ian MacMillan 909.396.3244 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
Reg. XXIII	<p>Emissions Growth Management of Various Emissions Sources Regulation XXIII will contain rules related to emissions growth management of various emission sources including, but not limited to, new or redevelopment projects and other sources where criteria pollutant emissions associated with the region's growth may cause or exacerbate exceedance of an air quality standard. Proposed rule(s) will implement the 2007 AQMP Control Measure EGM-01 – Emission Reductions from New or Redevelopment Projects and potential implementation of EGM-01 in the 2016 AQMP. Regulation XXIII may include other sources as provided in the Final 2016 AQMP to be submitted to U.S. EPA. <i>Henry Hogo 909.396.3184 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	AQMP

2017 MASTER CALENDAR (continued)

2017 To-Be-Determined (continued)

To-Be-Determined	Title and Description	Type of Rulemaking
Reg. XXV	<p>On-Road and Off-Road Mobile Source Credit Generation Programs Regulation XXV will contain rules to allow generation of criteria pollutant mobile source emission reduction credits (MSERCs) from various on-road and off-road sources, such as on-road heavy-duty trucks, off-road equipment, locomotives, and marine vessels. Credits will be generated by retrofitting existing engines or replacing the engines with new lower-emitting or zero-emission engines. The Draft 2016 AQMP proposed limiting use of MSERCs to facilities where the mobile source emissions occur.</p> <p align="center"><i>Henry Hogo 909.396.3184 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	AQMP
Reg. XXVII	<p>Climate Change Changes may be needed to Regulation XXVII to add or update protocols for GHG reductions, and other changes.</p> <p align="center"><i>Philip Fine 909.396.2239 CEQA and Socio: Jillian Wong 909.396.3176</i></p>	Other
Reg. II, IV, XI, XIII, XIV, XX, XXX and XXXV Rules	<p>Various rule amendments may be needed to meet the requirements of state and federal laws, implement OEHHA revised risk assessment guidance, address variance issues/ technology-forcing limits, to abate a substantial endangerment to public health or welfare, or to seek additional reductions to meet the SIP short-term measure commitment. The associated rule development or amendments include, but are not limited to, SCAQMD existing rules, new or amended rules to implement the 2012 or 2016 AQMP measures. This includes measures in the 2010 Clean Communities Plan (CCP) or 2016 AQMP to reduce toxic air contaminants or reduce exposure to air toxics from stationary, mobile, and area sources. Rule amendments may include updates to provide consistency with CARB Statewide Air Toxic Control Measures or U.S. EPA's National Emission Standards for Hazardous Air Pollutants.</p>	Other

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 16

PROPOSAL: Report of RFPs Scheduled for Release in May

SYNOPSIS: This report summarizes the RFPs for budgeted services over \$75,000 scheduled to be released for advertisement for the month of May.

COMMITTEE: Administrative, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board.

RECOMMENDED ACTION:

Approve the release of RFPs for the month of May.

Wayne Nastri
Executive Officer

MBO:lg

Background

At its January 8, 2010 meeting, the Board approved a revised Procurement Policy and Procedure. Under the revised policy, RFPs for budgeted items over \$75,000, which follow the Procurement Policy and Procedure, no longer require individual Board approval. However, a monthly report of all RFPs over \$75,000 is included as part of the Board agenda package and the Board may, if desired, take individual action on any item. The report provides the title and synopsis of the RFP, the budgeted funds available, and the name of the Deputy Executive Officer/Asst. Deputy Executive Officer responsible for that item. Further detail including closing dates, contact information, and detailed proposal criteria will be available online at <http://www.aqmd.gov/grants-bids> following Board approval on May 5, 2017.

Outreach

In accordance with SCAQMD's Procurement Policy and Procedure, a public notice advertising the RFPs and inviting bids will be published in the Los Angeles Times, the Orange County Register, the San Bernardino Sun, and Riverside County's Press Enterprise newspapers to leverage the most cost-effective method of outreach to the South Coast Basin.

Additionally, potential bidders may be notified utilizing SCAQMD's own electronic listing of certified minority vendors. Notice of the RFPs will be emailed to the Black and Latino Legislative Caucuses and various minority chambers of commerce and business associations, and placed on the Internet at SCAQMD's website (<http://www.aqmd.gov>) where it can be viewed by making the selection "Grants & Bids."

Proposal Evaluation

Proposals received will be evaluated by applicable diverse panels of technically-qualified individuals familiar with the subject matter of the project or equipment and may include outside public sector or academic community expertise.

Attachment

Report of RFPs Scheduled for Release in May 2017

**May 5, 2017 Board Meeting
Report on RFPs Scheduled for Release on May 5, 2017**

**(For detailed information visit SCAQMD's website at
<http://www.aqmd.gov/grants-bids> following Board approval on May 5, 2017)**

RESEARCH AND DEVELOPMENT OR SPECIAL TECHNICAL EXPERTISE

RFP #P2017-14 Issue Request for Proposal for Insurance Brokerage Services O'KELLY/2828

The current contract for insurance brokerage services expires September 30, 2017. This action is to issue an RFP to solicit proposals from licensed insurance brokerage firms interested in providing these services to SCAQMD for the next three-year period, from October 1, 2017 through September 30, 2020. Funds for this contract have been requested in the proposed FY 2017-18 Budget and will be requested for each of the remaining fiscal years of the contract.

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 17

PROPOSAL: Status Report on Major Ongoing and Upcoming Projects for Information Management

SYNOPSIS: Information Management is responsible for data systems management services in support of all SCAQMD operations. This action is to provide the monthly status report on major automation contracts and planned projects.

COMMITTEE: Administrative, April 14, 2017; Less than a quorum was present; the Committee Members concurred that this item be approved by the Board.

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

JCM:MAH:OSM:agg

Background

Information Management (IM) provides a wide range of information systems and services in support of all SCAQMD operations. IM's primary goal is to provide automated tools and systems to implement Board-approved rules and regulations, and to improve internal efficiencies. The annual Budget specifies projects planned during the fiscal year to develop, acquire, enhance, or maintain mission-critical information systems.

Summary of Report

The attached report identifies each of the major projects/contracts or purchases that are ongoing or expected to be initiated within the next six months. Information provided for each project includes a brief project description and the schedule associated with known major milestones (issue RFP/RFQ, execute contract, etc.).

Attachment

Information Management Status Report On Major Ongoing and Upcoming Projects During the Next Six Months

ATTACHMENT
May 5, 2017 Board Meeting
Information Management Status Report On Major Ongoing and
Upcoming Projects During the Next Six Months

Project	Brief Description	Budget	Completed Actions	Upcoming Milestones
Website Evaluation & Improvements	Conduct a detailed review of the SCAQMD website to identify improvements/enhancements that can further site usability and implement the items approved by the Administrative Committee. Improvements include a new custom calendar and changes to the navigation and content organization	\$117,475	<ul style="list-style-type: none"> • Calendar development done • Home page development done • Development of master pages and widgets done • Beta site set up on SCAQMD server 	<ul style="list-style-type: none"> • Content migration and page updates with new widgets on the beta site • Final testing of new site in June 2017 • Expect to deploy early July 2017 • May Administrative Committee status update
Consolidation of Mapping Functions on SCAQMD's Website	Conduct an assessment of GIS needs across the agency and develop an implementation plan for consolidating GIS functionality across the agency with a road map of projects to reach that goal	\$49,936	<ul style="list-style-type: none"> • Needs assessment completed • Draft implementation plan outline done • Final system design document done based on recommended system design • Software quote received from ESRI 	<ul style="list-style-type: none"> • Draft implementation plan for comment • Post-contract, IM will begin implementing recommendations and incorporating into improved website • June Board letter to purchase recommended hardware and software
Permitting Systems Automation	<ul style="list-style-type: none"> • New Web Application Development project to automate the 400A Form Filing process 	\$200,000	<ul style="list-style-type: none"> • Business process model completed • Initial requirements gathering completed • Initial screen review completed 	<ul style="list-style-type: none"> • Requirements updates from user review • Screen design updates from user review

<p>Permitting Systems Automation (continued)</p>	<ul style="list-style-type: none"> • New Web Application Development project to automate the processing of Dry Cleaners, Gas Stations, and Spray Booth applications • Bay Area Software Evaluation - Assist Permitting Systems staff in assessment of the Bay Area software solution for use by SCAQMD and the public 	<p>\$250,000</p> <p>To Be Determined</p>	<ul style="list-style-type: none"> • Business process model completed • Initial requirements gathering completed • Internal (IT) screen review for Dry Cleaners completed <p>Received test account from Bay Area to access the demo site and experiment with the BAAQMD on line permit processing tools</p>	<ul style="list-style-type: none"> • Requirements updates for all three equipment types from user review • Dry Cleaner screen design updates from user review • Spray Booth and Gas Station internal (IT) screen review <p>Complete initial review of Internal Dashboard and Customer Service Portals. Need test facility to move forward. E&P users notified of next steps</p>
<p>Information Technology Review</p>	<p>RFP for Information Technology review to help determine opportunities for hardware, system and software modernization</p>	<p>\$75,000</p>	<ul style="list-style-type: none"> • Released RFP December 2, 2016 • Contract awarded March 3, 2017 	<p>Contract expected to be initiated in early May 2017</p>
<p>Permit Dashboard Statistics</p>	<ul style="list-style-type: none"> • High level: New dashboard displaying monthly count of pending applications by type 	<p>Costs unbudgeted, developed internally. Cost of software \$1,320</p>	<ul style="list-style-type: none"> • Dashboard developed internally and submitted for review and approval October 2016 • Initial version completed and went live online on January 20, 2017 	<p>Not applicable</p>

Permit Dashboard Statistics (continued)	<ul style="list-style-type: none"> Detailed: New Web Application to allow engineers to update the intermediate status of applications, and a modification of the FIND or other GIS application to display the updated status to the applicant 	Costs unbudgeted, to be determined after requirements are known	Initial requirements meeting Aug. 2016. Staff identifying and finalizing intermediate statuses, method of data capture and other user requirements	Continued biweekly follow-up to obtain user requirements needed for design and development work
Network Core Switch and Router Replacement	Replace the existing voice and data network core switch and router, which is no longer fully supported by the manufacturer; the new core switch and router will deliver enhanced functionality with additional bandwidth and speed	\$225,000	<ul style="list-style-type: none"> Released RFP October 7, 2016 Awarded contract January 6, 2017 and equipment ordered 	Complete implementation end of April 2017
Agenda Tracking System Replacement	Replace the aging custom agenda tracking system with a state-of-the-art, cost-effective Enterprise Content Management (ECM) system, which is fully integrated with OnBase, SCAQMD's agency-wide ECM system	\$86,600	<ul style="list-style-type: none"> Released RFP December 4, 2015 Awarded contract April 1, 2016 	Complete implementation August 2017
Replace Your Ride	New Web Application to allow residents to apply for incentives to purchase newer, less-polluting vehicles	\$175,000	<ul style="list-style-type: none"> Task order issued and awarded October 2016 Development work initiated December 2016 	System development work in progress. Expected delivery May 2017
Emission Reporting System	Upgrade the outdated modem-based emission reporting system to allow internet-based reporting with up-to-date tools and methodology	\$242,000	<ul style="list-style-type: none"> Detailed planning and architecture sessions completed Approved by the Board March 3, 2017 	Task order set to start

Web Application and CLASS Systems Maintenance and Support	On-demand support for minor enhancements, upgrades, and maintenance of the SCAQMD suite of CLASS systems and Web Applications, Web Services, and Web Application Program Interfaces (APIs)	\$103,000	<ul style="list-style-type: none"> • Planning sessions in progress to finalize and prioritize work items for the upcoming period • Approved by the Board March 3, 2017 	Task order set to start
Air Quality Index Rewrite and Migration	Develop a new Web Service and/or Web API to migrate the Air Quality Index function from the FORTRAN computer to STA's data management system	\$60,000	<ul style="list-style-type: none"> • Work statement completed • Approved by the Board March 3, 2017 	Task order set to start
Renewal of HP Server Maintenance & Support	Purchase of maintenance and support services for servers and storage devices	\$110,000	<ul style="list-style-type: none"> • Approved by the Board April 7, 2017 • Contract executed 	Not applicable

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 19

REPORT: Administrative Committee

SYNOPSIS: The Administrative Committee met on Friday, April 14, 2017. The Committee discussed various issues detailed in the Committee report. The next Administrative Committee meeting is scheduled for Friday, May 12, 2017 at 10:00 a.m.

RECOMMENDED ACTION:
Receive and file.

Ben Benoit, Vice Chair
Administrative Committee

nv

Attendance: Attending the April 14, 2017 meeting were Committee Vice Chair Ben Benoit and Committee Member Dr. Clark E. Parker, Sr. via videoconference. Committee Chair Dr. William Burke and Committee Member Judith Mitchell were absent.

ACTION/DISCUSSION ITEMS:

1. **Board Members' Concerns:** None to report.
2. **Chairman's Report of Approved Travel:** As noted on the travel report, Councilmember Mitchell will attend the monthly CARB Board meeting in Sacramento, April 26-27, 2017. Supervisor Ashley, Mayor Pro Tem McCallon, Councilmember Mitchell, Supervisor Nelson, Councilmember Robinson and Supervisor Rutherford will meet with members of the California Senate and House delegation to ask the federal government for support to reduce the emissions from federally-regulated sources that impact the South Coast basin, in Washington, D.C., May 15-18, 2017.
3. **Approval of Compensation for Board Member Assistant(s)/Consultant(s):** None to report.

4. **Report of Approved Out-of-Country Travel:** None to report.
5. **GIS Project Status:** Deputy Executive Officer/Chief Administrative Officer Michael O’Kelly reported that this item was initiated by Vice Chair Benoit to review GIS capabilities as related to Goal III of SCAQMD’s Goals and Priorities, Priority Objective #6. An RFP was released in July 2016, with contract execution in Fall 2016. The work was projected to be done in the December 2016-January 2017 timeframe, but was delayed due to the contractor changing staff. The contract included a current GIS assessment, an EGIS systems design and an implementation plan. SCAQMD has been a long-time user of GIS technology, but deployment and management were handled in a decentralized manner. The contractor did a systems design analysis, with a recommendation for Esri software. The Implementation Plan is estimated to take approximately 18 months to complete with a cost at \$250,000-\$500,000; utilizing existing monies in this Fiscal Year’s budget and in the next two Fiscal Years’ budgets. Approval of licensing costs will be requested at the May Administrative Committee. Vice Chair Benoit commented that functionality has been improved. (No motion required.)
6. **Status Report on Major Ongoing and Upcoming Projects for Information Management:** Mr. O’Kelly reported that the status report includes past and future Information Management projects. As noted on the project list, SCAQMD’s website will be improved and enhanced, with a demonstration of the new website scheduled for May’s Administrative Committee meeting. (No motion required.)
7. **Amend Contracts to Provide Short- and Long-Term Systems Development, Maintenance and Support Services:** Mr. O’Kelly reported that this item involves allocating budgeted monies to prequalified vendors to do systems development work for system enhancements related to rules and for the Enhanced Fleet Modernization Program (EFMP). The majority of the monies have been budgeted and the monies are going to a Board-approved vendor’s list.

Moved by Parker; seconded by Benoit. Less than a quorum was present; the Committee Members concurred that this item be forwarded to the full Board for approval.

Ayes: Benoit, Parker
Noes: None
Absent: Burke, Mitchell

8. **Approve Maximum Support Level Expenditures for Board Member Assistants and Board Consultants for FY 2017-18:** Mr. O’Kelly reported that this item comes to the Administrative Committee annually. Two years ago, an assignment-of-points methodology was developed to determine the appropriate financial level to be provided to each Governing Board Member based on assignments, such as a number of committees, the type of committees, and the leadership role.

Moved by Parker; seconded by Benoit. Less than a quorum was present; the Committee Members concurred that this item be forwarded to the full Board for approval.

Ayes: Benoit, Parker
Noes: None
Absent: Burke, Mitchell

9. **Report of RFPs Scheduled for Release in May:** Mr. O’Kelly reported that this item is seeking approval to issue an RFP for insurance brokerage services for property liability, excess worker’s comp, cyber-crime, and auto insurance. Every three years brokerage services are requested so that the best cost is obtained on insurance policies. (No motion required.)

10. **Execute Contract to Provide for Real-time Public Alerts of Hydrogen Sulfide Events:** Senior Meteorologist Kevin Durkee reported that this item is to execute a contract with Sonoma Technology, Inc., in an amount not to exceed \$33,000, to provide real-time public alerts of hydrogen sulfide (H₂S) events in the Coachella Valley. There are currently two monitors, one near the Salton Sea and the other in the community of Mecca. This item involves automating the manual process of issuing the alerts. Last year, there were 55 events at the Salton Sea. Dr. Parker inquired whether these are going to be real-time monitors. Mr. Durkee responded that the monitors that are currently in use are real-time; we receive hourly data; and we have been using a threshold of 30 parts per billion (ppb) as the trigger for alerts based on the state standard. Vice Chair Benoit inquired whether, when the monitors are at 30 ppb, if that is an event you generally see coming out of the Coachella Valley as well. Mr. Durkee responded that in 2012 there was a huge odor event where there were complaints from the San Fernando Valley area, and there have been smaller events since then. The current monitoring system doesn’t cover all that distance, but the meteorological data and information of what’s coming from the Salton Sea is accurate. Dr. Parker inquired about how physically close the monitors are to the Salton Sea. Mr. Durkee responded there are currently two H₂S monitors; one is on the shore of the Salton Sea, on the Torrez-Martinez reservation property; and the second monitor is located in the community of Mecca, five to seven miles inland from

the Salton Sea to the north, which is located at the Sal Martinez Elementary School where other pollutant monitoring equipment is located as well.

Moved by Parker; seconded by Benoit. Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for approval.

Ayes: Benoit, Parker
Noes: None
Absent: Burke, Mitchell

11. **Extend Contract for Media, Advertising and Public Outreach; and Execute Contract for Targeted YouTube Videos and Banner Ads for 2017-18 Check Before You Burn Program:** Media Manager Sam Atwood reported this item is seeking the approval of two contracts for the upcoming Check Before You Burn season which begins November 1, 2017. The first contract is a 12-month renewal with Westbound Communications for up to \$246,000. The second contract is for \$250,000 with Google for online advertising. The staff recommendation is to defer action on the Google contract until next month pending complete campaign contribution information. Vice Chair Benoit agreed to proceed on the Westbound Communications contract. Following the competitive bidding process last Spring, the Board selected Westbound Communications as the contractor for outreach and advertising for this past Check Before You Burn season, which runs every year from November through the end of February, with a contract amount of \$246,000. This past winter there was a near-record rainfall which resulted in clean air quality and almost a record low number of no-burn alerts, which is the lowest number since 2012. When there is a greater number of no-burn alerts, it is news-worthy, but with the low number of no-burn alerts, it was difficult to obtain media coverage and air alert signups. Westbound Communications was able to increase air alert signups by 92% this past season as compared to prior years. Westbound Communications had a labor budget that was one-third less than that of the prior contract that was in-place for three years, but Westbound Communications was still able to increase air alert signups due to having a more cost-effective work product than its predecessor. Due to the successful performance of Westbound Communications this past season, staff is recommending an extension of their contract for 12 months in an amount not to exceed \$246,000. Vice Chair Benoit commented that Westbound Communications did a great presentation last year.

Dr. Parker noted that the Google documents had been received a few days ago. Mr. Wiese commented that although Google has provided some documents, additional information is needed.

Moved by Parker; seconded by Benoit. Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for approval.

Ayes: Benoit, Parker
Noes: None
Absent: Burke, Mitchell

12. **Appropriate Funds from Undesignated Fund Balance and Authorize Amending Contract with Consulting Expert:** General Counsel Kurt Wiese reported that this item is to approve additional monies for a contract with a refinery expert, Glyn Jenkins. Currently, there is a \$50,000 contract with Mr. Jenkins to assist with a Hearing Board matter, but staff is now requesting to amend his contract to add an additional \$120,000, which will be used to complete the Hearing Board matter and to secure Mr. Jenkins assistance with refinery rulemaking which includes the use of hydrogen fluoride at refineries. Dr. Parker inquired why we need to secure an expert to tell us what it is we should be doing relative to our rulemaking. Mr. Wiese responded that Mr. Jenkins will assist with the proposed hydrogen fluoride rule as he has international experience with refineries and it is difficult to replicate that type of experience. Mr. Wiese further commented that it is not unusual for SCAQMD to seek assistance from outside experts when there's a particular rulemaking issue. Dr. Parker inquired whether SCAQMD has the expertise. Mr. Wiese responded that Mr. Jenkins has experience with a refinery in the United Kingdom that reportedly made a switch from hydrogen fluoride to another alkylation material, which is valuable experience for the proposed rulemaking. Ms. Susan Nakamura indicated that part of the rulemaking process is the CEQA analysis and the different components of the equipment have to be understood in order to be replaced; that's where a refinery expert can provide his expertise, by his familiarity with the refinery and can indicate what specifically needs to be replaced.

Moved by Parker; seconded by Benoit. Less than a quorum was present; the Committee Members concurred that this item be forwarded to the Board for approval.

Ayes: Benoit, Parker
Noes: None
Absent: Burke, Mitchell

13. **Review May 5, 2017 Governing Board Agenda:** Vice Chair Benoit commented that there are two hearings on calendar for May Board: Approve Nonattainment New Source Review Compliance Demonstration for 2008 Ozone Standard and Amend Rule 219.
14. **Other Business:** None to report.
15. **Public Comment:** Mr. Bill LaMarr, Executive Director for the California Small Business Alliance, commented that in the Set Hearing for Rule 1147, it states that for units with NOx emissions of less than a pound per day, the proposed amendment will defer compliance with emission limits until the unit or burner is replaced. Previously, the proposal for Rule 1147 had addressed replaced, retrofitted or relocated units. Mr. LaMarr asked whether this means that staff is no longer considering retrofitted and relocated units. Ms. Nakamura responded yes, for units emitting less than a pound per day, if the burner is replaced, the unit must meet emission limits.

Meeting adjourned at 10:36 a.m.

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 20

REPORT: Legislative Committee

SYNOPSIS: The Legislative Committee held a meeting on Friday, April 14, 2017. The next Legislative Committee meeting is scheduled for Friday, May 12, 2017, at 9 a.m.

Agenda Item	Recommendation/Action
AB 1014 (Cooper) Diesel backup generators: health facility	Support
SB 49 (De Leon) California Environmental, Public Health, and Workers Defense Act of 2017	None
H.R. 1090 (Reed) Technologies for Energy Security Act of 2017	Support
Proposed Legislation for Approval (Fleet Rules)	Continued by Committee until May Meeting
Proposed Legislative Action for Approval (Toxic Air Monitoring Funding)	Approve

RECOMMENDED ACTION:

Receive and file this report, and approve agenda items as specified in this letter.

Joe Buscaino, Vice Chair
Legislative Committee

DJA:PFC:MJK:jns

Attendance [Attachment 1]

The Legislative Committee met on April 14, 2017. Committee Members Larry McCallon and Janice Rutherford were present at the South Coast Air Quality Management District's (SCAQMD) Diamond Bar headquarters. Committee Vice Chair Joe Buscaino, Committee Members Shawn Nelson, and Dr. Clark E. Parker, Sr. attended via videoconference. Committee Chair Judith Mitchell was absent.

Update on Federal Legislative Issues [Attachment 2]

SCAQMD's federal legislative consultants (Carmen Group, Cassidy & Associates, and Kadesh & Associates) each provided a written report on various key Washington, D.C. issues.

Mr. Gary Hoitsma of the Carmen Group and Mr. Mark Kadesh of Kadesh & Associates gave a verbal update as well.

Mr. Hoitsma reported that on March 15, the U.S. Environmental Protection Agency (U.S. EPA) and U.S. Department of Transportation put out their notice to review the emissions standards for cars and light-duty trucks. The emissions standards dictates the fuel economy standards at 54.5 miles per gallon by 2025. The U.S. EPA had finalized the fuel economy standards in January for the years 2022 through 2025; however, the new Administration announced that they will conduct their own review of this, which does not have to be released until April 1, 2018.

Mr. Kadesh updated his firm's written report by informing the Committee that the current appropriations process is still addressing bills for Fiscal Year (FY) 17, which started October 1, 2016. Congress has been operating on a continuing resolution (CR), as they have not passed FY17 bills yet, and the CR is scheduled to expire on April 28. Congress is currently on a two-week break, leaving a short turnaround before the government potentially shuts down. Thus, it is expected that when Congress returns, they will do a short-term CR. Overall, Congress has made progress on many of the appropriations bills and they hope to do some sort of omnibus appropriations bill. Mr. Kadesh noted that a bill that is having trouble getting finished is the Interior Appropriations bill and that the signaled deep U.S. EPA cuts would not be in this bill. If the cuts were to happen, they would likely happen in the FY18 appropriation bill. It is expected that Congress will wrap up FY17 bills in early May, with the FY18 appropriations process starting in May. President Trump's FY18 budget is expected to be released in mid-May.

Update on State Legislative Issues [Attachment 3]

SCAQMD's state legislative consultants (Joe A. Gonsalves & Son and Gonzalez, Quintana, Hunter & Cruz, LLC) provided written reports on various key issues in Sacramento.

Recommend Position on State and Federal Bills [Attachment 4]

AB 1014 (Cooper) Diesel Backup Generators: Health Facility

Mr. Philip Crabbe, Community Relations Manager, presented AB 1014 to the Committee. Mr. Crabbe reported that AB 1014 would codify industry guidelines that direct health facilities to limit the tests they conduct of their diesel backup generators and standby systems. This includes a requirement that hospitals test their diesel generators once a month for a half-hour period. Overall, AB 1014 is aligned with

SCAQMD's goals in protecting public health and would help reduce unnecessary testing of diesel backup generators, thus reducing the amount of NOx emissions produced within the South Coast region.

Mr. Crabbe noted that SCAQMD staff reported that this bill does not conflict with current SCAQMD permit conditions for health facilities which allow such facilities to test their diesel backup generators up to 50 hours per year, and that it is expected that an amendment will be added to this bill, per a request by CAPCOA, stating that nothing in the bill will affect the authority of CARB or local air districts to regulate health facilities diesel backup generators.

Staff recommended a position of SUPPORT on this bill.

Moved by Parker; seconded by Rutherford; unanimously approved.

Ayes: McCallon, Parker, Rutherford, Buscaino

Noes: None

Absent: Mitchell

SB 49 (De Leon) California Environmental, Public Health, and Workers Defense Act of 2017

Mr. Crabbe presented SB 49 to the Committee. Mr. Crabbe reported that this bill seeks to insulate California from rollbacks in federal environmental regulations and public health protections. This bill would establish current federal clean air, climate, clean water, worker safety, and endangered species standards to be enforceable under state law, in an attempt to counter any weakening of federal standards. The bill also prohibits state and local agencies from amending or revising any of their rules or regulations to be less stringent than the baseline federal law, but allows for the establishment of more stringent rules or regulations.

Mr. Crabbe reported that staff is supportive of the bill's basic intent to maintain existing clean air requirements in effect regardless of potential future actions weakening U.S. EPA regulations or the Clean Air Act. However, CAPCOA member attorneys and other staff have identified a number of unintended consequences which could be detrimental to the District's operations.

Districts would be required to adopt a wide variety of federal requirements including new source performance standards, national emission standards for hazardous air pollutants, and prevention of significant deterioration permit programs, which would require significant staff and Board resources to adopt, implement and enforce.

Staff believes it would be more workable to identify certain key Clean Air Act requirements, such as the existing National Ambient Air Quality Standards and the obligation to attain such NAAQS by specified dates, which should be incorporated into state law, rather than trying to impose the entire Clean Air Act and its implementing mechanisms.

In response to an inquiry from Mayor McCallon regarding what changes would be sought in the legislation, Mr. Crabbe responded that the hope would be to make the legislative language more broad so that it simply identifies certain key Clean Air Act requirements, such as the existing NAAQS and the obligation to attain such NAAQS by specified dates, rather than trying to impose the entire Clean Air Act and its implementing mechanisms into state law. Mr. Wayne Natri, Executive Officer, further clarified this approach and commented that the key would be to focus on the federal air quality standards and timing requirements and to scrutinize which parts of the Clean Air Act would be appropriate for local air districts to become involved in. Ms. Barbara Baird, Chief Deputy Counsel, noted that staff would return to the Committee and the Governing Board with any specific language tentatively agreed upon with the author.

Staff recommended a position of Work with Author; because neither this recommendation nor any other was approved by the Committee, this item will go to the Governing Board with no recommendation.

Moved by Parker; seconded by Buscaino

Ayes: Parker, Buscaino

Noes: McCallon, Rutherford

Absent: Mitchell

H.R. 1090 (Reed) Technologies for Energy Security Act of 2017

Mr. Marc Carrel, Program Supervisor, presented H.R. 1090 to the Committee. Mr. Carrel reported that this bill would reinstitute and extend, through 2021, commercial and residential installation tax credits for geothermal heat pumps, fuel cells, microturbines, small wind and combined heat and power.

Mr. Carrel further indicated that this bill would make stationary fuel cells and other clean energy technologies more affordable and help spur innovation. By establishing tax parity for fuel cell technologies, thermal energy, combined heat and power, and other technologies, treating them all the same as wind and solar, it will help spur the development of these technologies and not favor one technology over another.

Staff recommended a position of SUPPORT

Moved by McCallon; seconded by Parker; unanimously approved.

Ayes: McCallon, Parker, Rutherford, Buscaino

Noes: None

Absent: Mitchell

Informational Item on SB 1 (Beall) – Transportation Funding

Ms. Baird presented on SB 1. SB 1 dedicates funds to transportation infrastructure repairs as well as other projects which could potentially increase transportation emissions. Ms. Baird reported that SB 1 does not expressly dedicate funds to mitigate air quality impacts of goods movement projects included within the bill.

Ms. Baird also addressed the possibility of SB 1 affecting SCAQMD's ability to obtain additional funds to implement the 2016 Air Quality Management Plan. Ms. Baird noted that because there was no language expressly addressing air quality in SB 1, legislators might be motivated to help SCAQMD to acquire air quality focused funding.

Ms. Baird also reported that it is unclear what potential impacts SB 1 could have on the ability of CARB and SCAQMD to adopt emission reduction measures. SB 1 prevents CARB from requiring the replacement and repowering of commercial vehicle engines until the vehicle reaches 800,000 miles or 18 years, whichever is earlier. The bill gives truckers a competitive advantage over other emission sources, including stationary sources; however, SB 1 includes a statement of legislative intent which states that except for establishing the useful life of commercial vehicles it is not meant to limit the authority of CARB and local air districts. Ms. Baird noted that the language included is ambiguous and could invite litigation. However, the California State Transportation Agency stated that this language does not have any effect on CARB's or local air districts' indirect source authority.

In response to an inquiry from Dr. Parker, Ms. Baird responded that the bill only expressly refers to requiring replacements, repowers or retrofits of existing engines. The standards that are in place when an engine is purchased would continue to be enforceable through the useful life of the engine. CARB would not be able to require the replacement of that engine with a brand new engine earlier than the new language allows.

In response to an inquiry from Mr. Natri, Ms. Baird responded that SB 1 incorporates the provisions of SB 174 (Lara) and requires the Department of Motor Vehicles to deny registration to trucks and buses that do not meet CARB's clean truck and bus mandate. A discussion regarding testing emission standards for trucks ensued.

Proposed Legislation for Approval [Attachment 5]) – Fleet Rule Authority

Ms. Baird presented on proposed legislation for approval. Ms. Baird reported that this proposed legislation was based on amendments made to the 2016 AQMP, which directed staff to seek necessary legislative authority to authorize the SCAQMD to require accelerated purchase and use of near-zero and zero-emission heavy duty on-road vehicles for public fleets.

Ms. Baird noted that a late adjustment to the proposed amendments to the bill language would clarify the definition of near zero and zero emission vehicles and that the air district would set those requirements, rather than the fleet operators. Additionally, SCAQMD staff has secured a potential author for the bill, Assemblymember Mike Gipson. Ms. Baird clarified that if this proposed legislation were to be adopted, it would likely take precedence over the language in SB 1.

In response to an inquiry from Dr. Parker, Ms. Baird responded that the fleet rules would help clean up fleets and reduce emissions, as well as demonstrate the effectiveness of new technologies.

In response to an inquiry from Councilmember Buscaino, Ms. Baird clarified that this bill could potentially help with the effort to create a zero-emission port complex by 2030. This bill most easily applies to vehicles in public fleets, but a waiver from the U.S. EPA could allow the rules to be applied to vehicles owned privately.

A discussion regarding the specific language proposed, including the number of vehicles defined as a fleet and the effect this legislation could have on municipalities (e.g. undue burden) ensued. Supervisor Rutherford and Mayor Pro Tem McCallon expressed desire to change fleet to 15 vehicles.

Mr. David Rothbart, representing the Southern California Alliance of Publicly Owned Treatment Works, commented that the public fleets are a minor part of the NOx inventory, contributing only 2.7 percent of emissions. Mr. Rothbart raised concerns that this proposed legislation would potentially affect essential public services, and requested that essential public services be excluded from the language's requirements.

Mr. Lance Larson, Executive Director of the Orange County Transportation Authority (OCTA), requested that the Committee direct staff work with other local transportation agencies and raised concerns that the proposed legislation would have serious financial impacts on the transportation agencies. Mr. Nastri noted that the transit agencies are still subject to CARB's truck and bus rule, and that OCTA is already using natural gas, which SCAQMD considers to be near-zero emission.

A discussion on the Legislature's deadlines in relation to this proposed legislation ensued.

Staff recommended approval for the legislative proposal. At the Committee's request, the legislative proposal was continued until the next Legislative Committee meeting on May 12, 2017.

Proposed Legislative Action for Approval

Mr. Derrick Alatorre, Deputy Executive Officer, presented a proposed legislative action to the Committee for approval. Mr. Alatorre stated that this proposed action would be to work with the Governor's Office and the Legislature to recover costs associated with proactive region-wide toxics air monitoring plan to identify high-risk emitters of toxic air contaminants, similar to what was experienced in Paramount, CA. Mr. Alatorre stated that SCAQMD would be asking for approximately \$7.7 million per year to recover costs for the air toxics program.

In response to an inquiry from Dr. Parker, Mr. Alatorre clarified that the request is for the state to reimburse SCAQMD's costs associated with the expanding toxic air monitoring program. Mr. Nastri further clarified that the District is seeking funding to enhance the air monitoring program.

Staff recommended approval for the proposed legislative action relating to seeking funding for enhanced toxic air monitoring.

Moved by Parker; seconded by McCallon; unanimously approved.

Ayes: Buscaino, McCallon, Nelson, Parker, Rutherford; unanimously approved.

Noes: None

Absent: Mitchell

Other Business:

None

Public Comment Period:

None

The committee adjourned until Friday, May 12, 2017.

Attachments

1. Attendance Record
2. Update on Federal Legislative Issues –Written Reports
3. Update on State Legislative Issues – Written Reports
4. Recommended Position on State and Federal Bills
5. Proposed Legislation for Approval

ATTACHMENT 1
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
LEGISLATIVE COMMITTEE MEETING
ATTENDANCE RECORD –April 14, 2017

Councilmember Joe Buscaino.....	SCAQMD Board Member
Mayor Pro-Tem McCallon.....	SCAQMD Board Member
Dr. Clark E. Parker, Sr. (Videoconference).....	SCAQMD Board Member
Supervisor Janice Rutherford (Videoconference).....	SCAQMD Board Member
Mark Abramowitz.....	Board Consultant (Lyou)
Ron Ketchum	Board Consultant (McCallon)
Mark Taylor	Board Consultant (Rutherford)
Gary Hoitsma (teleconference).....	The Carmen Group
Amelia Jenkins (teleconference).....	Cassidy & Associates
Mark Kadesh (teleconference).....	Kadesh & Associates
Chris Kierig (teleconference).....	Kadesh & Associates
Dave Ramey (teleconference).....	Kadesh & Associates
Paul Gonsalves (teleconference).....	Joe A. Gonsalves & Son
Jacob Moss (teleconference).....	Gonzalez, Quintana, Hunter & Cruz
Kristin Essner.....	OCTA
Tom Gross.....	SCE
Bill LaMarr	California Small Business Alliance
Lance Larson.....	OCTA
Rita Loof	RadTech
David Rothbart.....	Los Angeles County Sanitation Districts
Tara Tisopulos	OCTA
Derrick Alatorre	SCAQMD Staff
Daniela Arellano	SCAQMD Staff
Debra Ashby	SCAQMD Staff
Barbara Baird.....	SCAQMD Staff
Naveen Berry	SCAQMD Staff
Marc Carrel	SCAQMD Staff
Tina Cox	SCAQMD Staff
Philip Crabbe	SCAQMD Staff
Bayron Gilchrist.....	SCAQMD Staff
Monika Kim.....	SCAQMD Staff
Ian MacMillan.....	SCAQMD Staff
Matt Miyasato	SCAQMD Staff
Wayne Nastri	SCAQMD Staff
Robert Paud.....	SCAQMD Staff
Jeanette Short.....	SCAQMD Staff
Laki Tisopulos	SCAQMD Staff
Todd Warden	SCAQMD Staff
Fabian Wesson.....	SCAQMD Staff
Kim White.....	SCAQMD Staff
Jill Whynot.....	SCAQMD Staff
Rainbow Yeung	SCAQMD Staff



ATTACHMENT 2

MEMORANDUM

To: South Coast AQMD Legislative Committee

From: Carmen Group

Date: April 2017

Re: Federal Update -- Executive Branch

Presidential Executive Order Rescinding Clean Power Plan: On March 28th, the President issued his “Executive Order on Promoting Energy Independence and Economic Growth.” The order essentially rescinds major actions related to the previous Administration’s Clean Power Plan. The Order does the following:

- Directs the Attorney General to seek appropriate relief from the courts over pending litigation related to the Clean Power Plan.
- Rescinds Executive and Agency actions centered on the previous administration’s climate change agenda.
- Lifts the ban on Federal leasing for coal production.
- Lifts restrictions on the production of oil, natural gas, and shale energy.
- Directs all agencies to conduct a review of existing actions that harm domestic energy production and suspend, revise, or rescind actions that are not mandated by law.
- Directs agencies to use the best available science and economics in regulatory analysis.
- Disbands the Interagency Working Group (IWG) on the Social Cost of Greenhouse Gases.

Status of Cabinet Appointments: As of April 5, three Trump Cabinet nominees remained unconfirmed by the Senate: Agriculture Secretary nominee Sonny Perdue, Labor Secretary nominee Alex Acosta, and US Trade Representative nominee Robert Lighthizer. Meanwhile, no appointment has yet been made to fill the post of chairman of the Council on Environmental Quality.

DC Trip –March 27-29: We were happy to help coordinate and participate in a series of meetings in Washington, DC, during the last week in March attended by SCAQMD staff. These included meetings with the Environmental Protection Agency Office of Air & Radiation and the Department of Energy Vehicle Technology Office, as well as a business group roundtable discussion with representatives from the US Chamber of Commerce, the American Trucking Associations and five major truck manufacturing companies. In addition, we met with key Republican staff with the Office of the Senate Majority Leader, the Senate Environment & Public Works Committee, the House Energy and Commerce Committee and the Washington Office of the Governor of Utah, whose capital city –Salt Lake City-- is facing critical air quality problems similar to those in the South Coast region.

Prep for Staff Delegation Trip to SCAQMD—April 19-21: We also helped reach out to key Congressional committee and other staff encouraging attendance at the upcoming SCAQMD-sponsored staff delegation trip during the Easter recess to get a full multi-day briefing on air pollution and clean air technologies being developed in the South Coast region.

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KADESH & ASSOCIATES, LLC

MEMORANDUM

To: South Coast AQMD Legislative Committee
From: Kadesh & Associates
Date: April 7, 2017
Re: Federal Legislative Update - Senate

March was largely consumed with Senate confirmation hearings for Supreme Court nominee Judge Gorsuch, the rollout and House failure of Obamacare Repeal/Replace and the release of the so-called ‘skinny’ budget on March 16 by the Trump Administration.

Skinny Budget

On March 16 President Trump submitted a budget blueprint covering FY18. The request also included a \$30 billion supplemental request for FY17. Unlike prior skinny budgets from first-year presidents, President Trump’s budget does not include any proposed changes to mandatory spending or taxes, nor does it extend beyond FY 2018. To be clear, the skinny budget focuses solely on discretionary spending in FY17-18.

The budget calls for a \$54 billion increase in defense spending – \$30 billion in FY17 and \$24 billion in FY18 – and fully offsets these with cuts in non-defense discretionary spending. Current defense spending is \$549 billion and this proposal would increase that to \$603 billion in FY18; Non-defense discretionary spending is currently \$516 billion and would be reduced to \$462 billion in FY18 under this plan.

The reaction to the skinny budget has been largely negative. While defense hawks and the defense industry are happy with the increases in spending, the cuts to domestic programs have been criticized in the press and on Capitol Hill. More than half of the proposed cuts come from three agencies: the Departments of State, HHS, and Education. EPA is also cut substantially.

The following chart, prepared with information from OMB, highlights the cuts – and increases – contained in the skinny budget non-defense discretionary accounts.

Fig 2: The President's FY 2018 Non-Defense Budget at a Glance (Billions)

Agency/Program	Dollar Cut	% Cut
Agriculture	-\$4.7	-20.7%
Commerce	-\$1.5	-15.7%
Education	-\$9.2	-13.5%
<i>Eliminate Teaching and Community Learning Center Grants</i>	<i>-\$3.7</i>	
<i>School Choice Initiatives</i>	<i>+\$1.4</i>	
Energy	-\$1.7	-5.6%
Health & Human Services	-\$12.6	-16.2%
<i>Cut National Institutes of Health</i>	<i>-\$5.8</i>	<i>-18.3%</i>
Homeland Security	\$2.8	6.8%
<i>Border Wall and Security</i>	<i>+\$2.6</i>	
Housing and Urban Development*	-\$4.3	-11.9%
<i>End Community Development Block Grants</i>	<i>-\$3.0</i>	
Interior	-\$1.5	-11.7%
Justice (DOJ)	-\$1.1	-3.8%
Labor	-\$2.5	-20.7%
State and Foreign Aid	-\$10.9	-28.7%
Transportation	-\$2.4	-12.7%
Treasury	-\$0.5	-4.4%
Veterans Affairs	\$4.4	5.9%
<i>Increase Veterans' Health Care</i>	<i>+\$4.6</i>	<i>+9.2%</i>
Environmental Protection Agency	-\$2.6	-31.4%
NEA, NEH, IMLS, CPB**	-\$1.0	-100.0%
Other Agencies	-\$2.9	-4.5%
DOJ Changes In Mandatory Programs (CHIMPS)	-\$2.9	35.3%
TOTAL	-\$56.9	-10.2%

Source: Office of Management and Budget. Cuts compared to current FY 2017 levels.

*Excludes Housing and Urban Development receipts.

** : The National Endowment for the Arts, National Endowment for the Humanities, Institute of Museum and Library Services, Corporation for Public Broadcasting.

FY17 Appropriations and the CR

The current Continuing Resolution (CR) expires on April 28. House Appropriations Committee staff were directed to complete action on the remaining FY17 bills by March 27th and to have any open items to the front office by March 29th to be resolved by the House and Senate Committee leadership. Several open items remain -- including most of the EPA budget -- and there may be a one to two week CR enacted when Congress returns after the Easter recess to give negotiators a little more time to finalize the bill.

Along with the skinny budget, OMB submitted an FY17 supplemental request for \$30 billion to fund additional defense priorities and to begin plans for the border wall. OMB is asking for the FY17 supplemental to be fully offset. Appropriations staff are working to identify offsets within the FY17 bills, but it is unclear how much – if any – of the new spending will actually be offset. OMB is also working to identify FY16, or earlier, unobligated funds that might be

available as offsets for the FY17 spending. House and Senate Appropriations leaders have subsequently indicated that the Trump Administration request for FY17 cuts were too much, too late and they have proceeded with their efforts to finish the FY 17 bills operating under the budget allocations decided upon in 2016. The plan to pass an omnibus bill remains unclear and a year-long CR is still a distinct possibility. A prevailing idea is for the Senate to hold the defense bill at the desk, attach whatever could be conferenced as stand-alone titles, include the rest in a CR, and send that package back to the House. That strategy seems to be gaining ground as the preferred choice among Congressional Appropriators. The final vehicle could be a so-called “CRomnibus” – a combination of a CR for some parts of the government and an omnibus for others, passed as one package. FY18 Budget details are expected on May 14.

Activities Summary

- Participated in SCAQMD’s March staff trip to DC and coordinated several meetings.
- Contacted numerous Hill offices to encourage participation in upcoming SCAQMD Congressional Staff Delegation visit.
- Kept staff updated as to legislative changes, committee assignments and confirmations.
- Monitored and shared updates on Administration transition regarding transportation, trade and environmental policies and personnel.
- Maintained ongoing discussion with Rep. Calvert re DERA and Targeted Airshed Grants.
- Discussed Infrastructure list with Senator Feinstein’s office.
- Began planning for upcoming Governing Board trip to DC in May.

Both the House and Senate will only be in session for two of the four weeks in April due to the spring/Easter/Passover recess.

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CASSIDY&ASSOCIATES

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Washington, DC 20001-4886

(202) 347-0773
www.cassidy.com

To: South Coast Air Quality Management District

From: Cassidy & Associates

Date: April 5, 2017

Re: Federal Update – House of Representatives

Issues of Interest to SCAQMD

House Republicans continue the 115th Congress with votes on legislation to roll back the regulations of the Obama Administration, and transform the regulatory process. The Resolution of Disapproval of the BLM Methane Regulations H.J. Res. 36 was passed by the House on February 3rd, but continues to await action in the Senate.

With the lack of success by the House Republican leadership to move the repeal of the Affordable Care Act, we anticipate the House Energy and Commerce Committee will begin exploring more energy and environmental related pieces of legislation.

Ozone Standards Implementation Act of 2017 (H.R. 806)

On March 22 the House Energy and Commerce Subcommittee on Environment held a legislative hearing on H.R. 806. This legislation seeks to delay the effective day of the 70 ppb ozone standard to 2025. The following witnesses testified at the hearing:

Mr. Sean Alteri – Director, Division of Air Quality, Kentucky Department of Environmental Protection

Dr. Homer Boushey, MD, Professor of Medicine, Division of Pulmonary/Critical Care Medicine, University of California, San Francisco

Mr. Marc A.R. Cone, P.E., Director, Bureau of Air Quality, Maine Department of Environmental Protection

Mr. Kurt Kaperos, Deputy Executive Office, California Air Resources Board

Mr. Seyed Sadredin, Executive Director/Air Pollution Control Officer, San Joaquin Valley Air Pollution Control District

Ms. Nancy Vehr, Air Quality Administrator, Wyoming Department of Environmental Quality

Under the current ozone standard, final attainment designations are scheduled for October of this year. The bill would also prevent EPA from reconsidering the current standard before 2025, and would stretch the “reconsideration timeline” in the Clean Air Act from every 5 years to every 10 years.

Similar legislation was offered last Congress, but at that time it faced a certain veto threat from President Obama. The House would (will) certainly pass it and will likely move quickly to do so, given the October compliance timeline. The question continues to be whether 8 other Democrats in the Senate would also vote to do so.

Congressional Leadership in Mitigating Administration Threats to the Earth (CLIMATE) Act (H.R. 1812)

Thirty-six House Democrats introduced a bill to overturn President Trump’s “Promoting Energy Independence and Economic Growth” order. President Trump issued an executive order aimed at dismantling many of the key actions that have been undertaken at the federal level to address climate change. The “Congressional Leadership in Mitigating Administration Threats to the Earth (CLIMATE) Act” (H.R. 1812) declares the President’s document null and void and would prohibit federal funds for implementing, administering or enforcing it. Democratic senators have also introduced companion legislation.

This legislation is purely a symbolic messaging bill as the Republican House Leadership will not move forward with the bill during this Congress. It does provide guidance though, as to where many House Democrats stand on these Climate-related issues and their perspective on the current Administration’s actions.

House Transportation and Infrastructure Committee (T&I) Update:

The House T&I Committee and its respective subcommittees held several informative hearings on infrastructure, including rail, airports, highways, and water resources, as well as examining the implementation of the FAST Act from the perspective of states and local entities. On March 29th, the Committee marked up several bills, most notably –

- H.R. 1346 – Repeals the rule issued by the Federal Highway Administration and the Federal Transit Administration entitled “Metropolitan Planning Organization Coordination and Planning Area Reform”

Congressional Staff Delegation Trip Update:

We are continuing to work to finalize the SCAQMD Congressional Staff Delegation trip. At this time we are working with various Congressional offices to confirm staff attendees for the trip, which will take place on April 19th through April 21st. This trip is an opportunity to build new relationships and solidify existing relationships, which is especially important given the new landscape in Washington. We anticipate approximately 6-8 Congressional staff members from offices around the country, which will help South Coast expand their reach and visibility on Capitol Hill.

March DC SCAQMD Staff Visit Highlights:

The entire South Coast held two very successful meetings at Cassidy & Associates with outside groups to discuss coalition building. The first meeting was the Environment and Health Coalition Partners working lunch with representatives from the following groups:

- American Lung Association
- National Environmental Health Association
- Union of Concerned Scientists

The advocates shared what they are most concerned about defending, including the Section 177 States and CAA 209. We also discussed the positions of various constituencies on policies issues (e.g. Auto Alliance does not seek to eliminate the California waiver). South Coast was encouraged to weigh in during the midterm review of CAFE regarding 0.02 NOx and to put a “face” on the health crisis of air pollution for political audiences. All advocates agreed to keep in touch on mutual priorities and coordinate on advocacy where appropriate.

The second coalition building meeting was the Clean Technology/Control Technology/Clean Trucks Coalition meeting. The attendees included:

AESI

Alliance for Vehicle Efficiency

Electric Drive Transport Association

ChargePoint

Natural Gas Vehicles Alliance (NGVA)

NGVA offered to share its official list of goals and partner where appropriate. Advocates suggested working out a strategy with truck manufacturers who seek to jettison their 12% Federal Excise Tax. ChargePoint is focused on corridor funding. The plug-in industry is focused on tax incentives for the vehicles themselves and for charging infrastructure (Section 48). South Coast was advised to connect with the Blue Green Alliance on job creation data related to clean technologies. All advocates agreed to keep in touch on mutual priorities and coordinate on advocacy where appropriate.

ATTACHMENT 3



Joe A. Gonsalves & Son

Anthony D. Gonsalves

Jason A. Gonsalves

Paul A. Gonsalves

PROFESSIONAL LEGISLATIVE REPRESENTATION

925 L ST. · SUITE 250 · SACRAMENTO, CA 95814-3766

916 441-0597 · FAX 916 441-5061

Email: gonsalves@gonsalvi.com

TO: SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

FROM: ANTHONY, JASON, AND PAUL GONSALVES

SUBJECT: APRIL LEGISLATIVE UPDATE

DATE: FRIDAY, APRIL 7, 2017

As the Legislature nears Spring Break recess, which runs April 6-17, 2017, policy committee hearings have started to gear up to hear the 2,652 bills introduced this session. All bills must be in print for 30 days before a Legislative Committee can hear them, making a majority of the bills eligible to be heard in Committee after March 17, 2017. In addition, many of the bills recently introduced include intent language, or “spot bills”, which will be, or already have been, substantially amended before their first Committee hearing. Our firm will continue to monitor and lobby all bills and amendments of interest to the District.

The following will provide you with issues of interest to the District:

- [SB 1 & ACA 5 - Transportation Plan](#)
- [Cap and Trade](#)
- [Legislative Calendar](#)
- [Legislation](#)

TRANSPORTATION PLAN

After years of negotiations, the California Legislature has adopted a \$5.2 billion transportation package. The legislation, SB 1 (Beall), invests \$52.4 billion over the next 10 years with the revenues being split equally between state and local investments.

As you know, on March 29, 2017, Governor Brown and Legislative Leadership announced a \$5 billion-a-year transportation investment to fix our roads, freeways and bridges, with a deadline of April 6, 2017 to adopt the measure.

On April 6, 2017, the State Senate heard SB 1 on the floor. After lengthy debate, SB 1 passed out of the State Senate on a bare minimum 27-11 vote. The State Assembly then heard SB 1 later that evening, where they passed the bill out on a bare minimum 54-26 vote. SB 1 is now headed to the Governor for his signature along with ACA 6, which includes the constitutional protections to protect the transportation funding.

Below are some of the key elements of SB 1 and ACA 5:

Fix Local Streets and Transportation Infrastructure (50%):

- \$15 billion in "Fix-It-First" local road repairs, including fixing potholes
- \$7.5 billion to improve local public transportation
- \$2 billion to support local "self-help" communities that are making their own investments in transportation improvements
- \$1 billion to improve infrastructure that promotes walking and bicycling
- \$825 million for the State Transportation Improvement Program local contribution
- \$250 million in local transportation planning grants.

Fix State Highways and Transportation Infrastructure (50%):

- \$15 billion in "Fix-it-First" highway repairs, including smoother pavement
- \$4 billion in bridge and culvert repairs
- \$3 billion to improve trade corridors
- \$2.5 billion to reduce congestion on major commute corridors
- \$1.4 billion in other transportation investments, including \$275 million for highway and intercity-transit improvements.

Accountability Measures:

- Constitutional amendment to prohibit spending the funds on anything but transportation.
- Inspector General to ensure Caltrans and any entities receiving state transportation funds spend taxpayer dollars efficiently, effectively and in compliance with state and federal requirements.
- Provision that empowers the California Transportation Commission to hold state and local government accountable for making the transportation improvements they commit to delivering.
- Authorization for the California Transportation Commission to review and allocate Caltrans funding and staffing for highway maintenance to ensure those levels are reasonable and responsible.

- Authorization for Caltrans to complete earlier mitigation of environmental impacts from construction.

This transportation investment package includes the following:

- \$7.3 billion by increasing diesel excise tax 20 cents
- \$3.5 billion by increasing diesel sales tax to 5.75 percent
- \$24.4 billion by increasing gasoline excise tax 12 cents
- \$16.3 billion from an annual transportation improvement fee based on a vehicle's value
- \$200 million from an annual \$100 Zero Emission Vehicle fee commencing in 2020.
- \$706 million in General Fund loan repayments.

CAP AND TRADE

On April 6, 2017, a state appeals court upheld California's climate-change program. The California Chamber of Commerce filed suit over 4 years ago that challenged the state's ability to collect revenue from Cap and Trade auctions over the past five years. The California Chamber of Commerce argued that the programs fee is also a tax, therefore, it would require a 2/3 vote of the Legislature to be adopted.

In a 2-1 decision, the 3rd District Court of Appeal upheld the California Air Resources Board's greenhouse gas cap-and-trade program, which is a victory for Gov. Brown and legislative Democrats who are working on a package that would extend the life of the program.

The California Chamber of Commerce has not yet announced if they will continue with the suit.

LEGISLATIVE CALENDAR

The following will provide you with the upcoming Legislative deadlines for the 2017-18 legislative session:

April 6-17, 2017 – Spring Recess

April 28, 2017 – Last day for Policy Committees to Hear Fiscal Bills

May 12, 2017 – Last Day for Policy Committees to Hear Non-Fiscal Bills

May 19, 2017 – Last day for Policy Committees to Meet Prior to June 5, 2017

May 26, 2017 – Last Day for Fiscal Committees to Meet.

May 30-June 2, 2017 – Floor Session Only

June 2, 2017 – Last Day to Pass Bills out of Their House of Origin.

June 15, 2017 – Budget Bill Must be Adopted

July 14, 2017 – Last day for Policy Committees to Hear Fiscal Bills

July 21, 2017 – Last day for Policy Committees to Hear Bills.

July 21-August 21, 2017 – Summer Recess

September 1, 2017 – Last Day for Fiscal Committees to Hear Bills

September 5-15, 2017 – Floor Session Only

September 8, 2017 – Last Day to Amend on the Floor

September 15, 2017 – Last Day of Session

LEGISLATION

AB 1073 (E. Garcia)

The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects. Existing law requires the state board, when funding a specified class of projects, to allocate, until January 1, 2018, no less than 20% of that available funding to support the early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology.

This bill proposes to require the state board, when funding a specified class of projects, to allocate, until January 1, 2023, no less than 20% of that available funding to support the early commercial deployment or existing zero- and near-zero-emission heavy-duty truck technology.

This bill was heard in the Assembly Transportation Committee on April 3, 2017 and passed on a 13-0 vote. The bill is double-referred and will be heard next in the Assembly Natural Resources Committee.

AB 1082 (Burke)

This bill would require an electrical corporation to file with the PUC, by July 30, 2018, a program proposal for the installation of vehicle charging stations at school facilities. The bill would require the PUC to review and approve, or modify and approve, the program proposal filed by the electrical corporation by December 31, 2018.

The bill would also authorize the use of these charging stations by faculty, students, and parents before, during, and after school hours at those times that the school facilities are operated for purposes of providing education or school-related activities. The bill would require the electrical corporation to install, own, operate, and maintain the charging equipment and would require that the approved program include a reasonable mechanism for cost recovery by the electrical corporation.

Lastly, the bill would require that schools receiving charging stations pursuant to the approved program participate in a time-variant rate approved by the commission.

This bill was heard in the Assembly Communications and Conveyance Committee on April 5, 2017 and passed on a 10-3 vote. The bill is double-referred and will be heard in the Assembly Education Committee on April 26, 2017.

AB 1646 (Muratsuchi)

This bill would require the risk management plan of a petroleum refinery to be posted on the Internet Web site of the Office of Emergency Services or on the Internet Web site of the UPA that has jurisdiction over the petroleum refinery.

In addition to existing requirements for the contents of a risk management plan, the bill would require the plan to provide for a system of automatic notification for residents who live within a 5-mile radius of the petroleum refinery, an audible alarm system that can be heard within a 10-mile radius of the petroleum refinery, and an emergency alert system for schools, public facilities, hospitals, and residential care homes located within a 10-mile radius of the petroleum refinery. The bill would require a petroleum refinery to implement those systems on or before January 1, 2019.

This bill has been referred to the Assembly Environmental Safety and Toxic Materials Committee and will be heard on April 25, 2017.

AB 1647 (Muratsuchi)

This bill is the companion bill to AB 1646. The bill proposes to require an air district to require the owner or operator of a petroleum refinery to install a community air monitoring system on or before January 1, 2020, and to install a fence-line monitoring system on or before January 1, 2019.

The bill would also require the owner or operator of a refinery to collect real-time data from these monitoring systems, to make that data available to the public at the time of collection in a publicly accessible format, and to maintain records of that data.

This bill has been referred to the Assembly Natural Resources Committee and will be heard on April 17, 2017.

SB 57 (Stern)

This bill would change the law (SB 380) specific to the Aliso Canyon natural gas storage facility to require the third-party root cause analysis of the SS-25 well leak be completed and released to the public prior to the supervisor determining the facility is safe to re-start injections of natural gas. In addition, the bill would require the proceeding initiated by the CPUC to determine the feasibility of minimizing or eliminating the use of the Aliso Canyon natural gas facility be completed by December 31, 2017.

SB 57 is an urgency bill, which requires 2/3 vote. The bill was recently amended to add Senator Hertzberg as a principal co-author. In addition, the bill added Assemblymember Costa and Senator's Allen, Wilk and Weiner as co-author's.

The bill was heard in the Senate Energy, Utilities and Communications Committee on April 4, 2017 and passed on a 9-1 vote. The bill has been referred to the Senate Appropriations Committee.



SCAQMD Report
Gonzalez, Quintana, Hunter & Cruz, LLC
April 7, 2017

General Update

Over the past month, the Legislature has been consumed with efforts to counteract the anti-immigration efforts of the Trump Administration and, with a huge lift by Governor Brown, passage of a \$5.2 billion transportation package. Pro Tem de Leon's sanctuary city bill cleared a major hurdle by passing out of the Senate and the transportation bill, SB 1, is on its way to the Governor for a likely signature. This paves the way for the Administration to focus on its other major policy item, cap and trade.

Sponsored Legislation

AB 1132 (C. Garcia) Nonvehicular air pollution: order of abatement.

Current law regulates the emission of air pollutants by stationary sources and authorizes the regional air quality management districts and air pollution control districts to enforce those requirements.

Current law authorizes the governing boards and the hearing boards of air districts to issue an order for abatement, after notice and a hearing, whenever they find a violation of those requirements.

This bill would authorize the air pollution control officer, if he or she determines that a person has violated those requirements and the violation presents an imminent and substantial endangerment to the public health or welfare, or the environment, to issue an order for abatement pending a hearing before the hearing board of the air district.

The bill is being opposed by the California Chamber of Commerce. We are engaging in ongoing efforts to attempt to address any concerns with the legislation.

The bill has been single referred to Assembly Natural Resources and is set for hearing on April 17th, 2017.

AB 1274 (O'Donnell) Carl Moyer Memorial Air Quality Standards Attainment Program. Smog Abatement Fee.

Would, except as provided, exempt motor vehicles that are 8 or less model-years old from being inspected biennially upon renewal of registration. The bill would assess an annual

smog abatement fee of \$24 on motor vehicles that are 7 or 8 model-years old. The bill would require the fee be deposited into the Air Pollution Control Fund and be available for expenditure, upon appropriation by the Legislature, to fund the Carl Moyer Memorial Air Quality Standards Attainment Program.

We are continuing to garner support for this legislation and, as of the date of this report, no opposition has been identified.

This bill has been referred to Assembly Transportation and has been set for April 17th, 2017.

Bills of Interest

SB 4 (Mendoza) Goods Movement: allocation of federal funds: Goods Movement and Clean Trucks Bond Act.

Would, subject to voter approval at the June 5, 2018, statewide primary election, enact the Goods Movement and Clean Trucks Bond Act to authorize \$600,000,000 of state general obligation bonds as follows: \$200,000,000 to the California Transportation Commission for projects and programs eligible for funding from the Trade Corridors Improvement Fund; \$200,000,000 to the State Air Resources Board for projects and programs consistent with the Goods Movement Emission Reduction Program; and \$200,000,000 to the State Air Resources Board for projects and programs to expand the use of zero- and near-zero emission trucks in areas of the state that are designated as severe or extreme nonattainment areas for ozone and particulate matter.

SCAQMD has a Support with Amendments position on this bill. We are interested in this bill because of its potential to improve air quality. We are involved in talks with the author and are monitoring the bill's progress.

The bill passed out of Senate Environmental Quality Committee on March 29th, 2017 and is set for hearing in Senate Governance and Finance Committee on April 19th, 2017.

SB 174 (Lara) Diesel-fueled vehicles: registration.

Current law prohibits a person from driving, moving, or leaving standing upon a highway any motor vehicle, as defined, that has been registered in violation of provisions regulating vehicle emissions. This bill, effective January 1, 2020, would require the Department of Motor Vehicles to confirm, prior to the initial registration or the transfer of ownership and registration of a diesel-fueled vehicle with a gross vehicle weight rating of more than 14,000 pounds, that the vehicle is compliant with, or exempt from, applicable air pollution control technology requirements.

The contents of this bill were incorporated into the transportation bill, SB 1 (Beall) that was recently passed by the Legislature and is on its way to the Governor's desk for a likely signature. SCAQMD has a Support with Amendments position on this bill.

AB 1014 (Cooper)
Diesel backup generators: health facility

Summary: This bill would codify industry guidelines that direct health facilities to limit the tests they conduct of their diesel backup generators and standby systems.

Background: Hospitals are currently required to follow the National Fire Protection Agency (NFPA) guidelines, which require monthly testing of their backup diesel generators to full capacity to ensure functionality.

In 2003, AB 390 (Montanez) addressed concerns that hospitals were over-testing their diesel backup generators as compared to manufacturers' requirements, resulting in unnecessary pollution. AB 2216 (Gaines) and AB 1863 (Gaines) were enacted to extend the sunset of AB 390 to 2016.

AB 1014 will place the industry accreditation guidelines in statute. This includes a requirement that hospitals test their diesel generators once a month for a half-hour period. It also clarifies when alternative testing may be used. The bill will reduce diesel particulate matter in the environment and provide a clear testing path for facilities.

Status: 4/05/2017 - From Assembly Health Comm.: Do pass and re-refer to Assembly Comm. on NAT. RES. with recommendation: To Consent Calendar. (Ayes 14. Noes 0.) (April 4). Re-referred to Assembly Com. on NAT. RES.

Specific Provisions: Specifically, this bill would require a health facility to conduct specified tests and maintenance of its diesel backup generators and standby systems in conformance with the edition of the NFPA 110: Standard for Emergency and Standby Power Systems adopted by the Life Safety Code and the federal Centers for Medicare and Medicaid Services.

Impacts on AQMD's Mission, Operations or Initiatives: According to the author, it is critical for hospitals and health facilities to regularly test their diesel generators to ensure they are fully functional in the event of an emergency. NFPA guidelines require monthly testing of the generators to full capacity to ensure this functionality. The author states that this bill will codify the necessary requirements for testing these generators, and that these minimum testing requirements also recognize the continued effort to reduce emissions from diesel generators. The California Hospital Association (CHA) is the sponsor of this bill.

Overall, AB 1014 is aligned with SCAQMD's goals in protecting public health and reducing NOx emissions. According to the Santa Barbara APCD, a typical standby diesel generator produces 25-30 pounds of nitrogen oxides (NOx) per megawatt hour of power generated, which is 50 to 60 times the NOx pollution produced per megawatt hour by the typical mix

of California gas-fired power plants. NO_x is a major component in the formation of ozone (smog), which can result in adverse health effects, such as inflammation of the lungs and irritation of the respiratory system.

AB 1014 would help reduce unnecessary testing of diesel backup generators, thus reducing the amount of NO_x emissions produced within the South Coast region. Thus the bill would help protect public health and facilitate attainment of federal air quality standards.

Recommended Position: SUPPORT

AMENDED IN ASSEMBLY MARCH 21, 2017

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1014

Introduced by Assembly Member Cooper

February 16, 2017

An act to add Section 41514.1 to the Health and Safety Code, relating to nonvehicular air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 1014, as amended, Cooper. Diesel backup generators: health facility.

Existing law imposes various limitations on emissions of air contaminants for the control of air pollution from vehicular and nonvehicular sources. Existing law generally designates the State Air Resources Board as the state agency with the primary responsibility for the control of vehicular air pollution, and air pollution control and air quality management districts with the primary responsibility for the control of air pollution from all sources other than vehicular sources.

This bill would require a health facility, as defined, to conduct specified tests *and maintenance* of its diesel backup ~~generators~~ *generators and standby systems*. By adding to the duties of air districts, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 41514.1 is added to the Health and Safety
2 Code, to read:

3 41514.1. (a) For purposes of this section, “health facility” has
4 the same meaning as defined in Section 1250, but includes only
5 those facilities described in subdivision (a), (b), (c), (d), (f), (g),
6 or (k) of that section.

7 (b) A health facility shall test *and maintain* each of its diesel
8 backup generators *and standby systems* in conformance with the
9 ~~most recent~~ edition of the National Fire Protection Association
10 110: Standard for Emergency and Standby Power Systems ~~related~~
11 ~~to testing and maintenance activities. These activities shall include~~
12 ~~inspection procedures for assessing the prime mover’s exhaust gas~~
13 ~~temperature against the minimum temperature recommended by~~
14 ~~the manufacturer. adopted by the Life Safety Code and the federal~~
15 *Centers for Medicare and Medicaid Services.*

16 SEC. 2. No reimbursement is required by this act pursuant to
17 Section 6 of Article XIII B of the California Constitution because
18 a local agency or school district has the authority to levy service
19 charges, fees, or assessments sufficient to pay for the program or
20 level of service mandated by this act, within the meaning of Section
21 17556 of the Government Code.

SB 49 (De León)

California Environmental, Public Health, and Workers Defense Act of 2017

Summary: This bill establishes current federal clean air, climate, clean water, worker safety, and endangered species standards enforceable under state law, even if the federal government rolls back and weakens those standards.

Background: This bill is a part of the *Preserve California* legislative package which seeks to insulate California from rollbacks in federal environmental regulations and public health protections. These bills seek to establish strong and legally enforceable baseline protections for the environment, public health, worker safety, and other areas of federal regulatory law that could be dramatically weakened by the Trump Administration. Measures would also protect federal lands within the State of California from sale to private developers for the purpose of resource extraction; ensure federal employees are not penalized under California law for whistleblowing; and shield public information and data resources from federal censorship or destruction.

This bill, the California Environmental, Public Health, and Workers Defense Act of 2017, focuses specifically on making current federal clean air, climate, clean water, worker safety, and endangered species standards enforceable under state law, even if the federal government rolls back and weakens those standards.

Status: 4/05/2017 - From Senate EQ Comm.: Do pass and re-refer to Senate Comm. on JUD. (Ayes 5. Noes 2.) (April 5). Re-referred to Senate Comm. on JUD.

Specific Provisions: The bill establishes baseline federal standards and then prohibits state and local agencies from amending or revising any of their rules or regulations to be less stringent than the baseline federal law, but allows rule or regulations to be established which are more stringent than the baseline federal standards.

The bill defines the baseline federal standards as “authorizations, policies, objectives, rules, requirements, and standards contained in federal laws or federal regulations implementing the federal laws in existence as of January 1, 2016, or January 1, 2017, whichever is more stringent.” The federal laws referenced include the federal Clean Air Act, the federal Endangered Species Act, the federal Safe Drinking Water Act, the Federal Water Pollution Control Act, and “any other federal law...relating to environmental protection, natural resources, or public health.”

The bill also adopts five additional provisions related to clean air:

- (a) To ensure no backsliding, if there is a change in the federal Clean Air Act or its implementing regulations, CARB and air districts “shall maintain and enforce all air

quality requirements and standards that are at least as stringent as required by the baseline federal standards, in addition to those required under state law.”

- (b) If CARB has not established a standard for an air pollutant for which a baseline federal standard exists, then if CARB adopt a standard, it must be “at least as stringent as the baseline federal standards.”
- (c) CARB and air districts must adopt State Implementation Plans (SIPs) that are “at least as stringent as those required by the applicable baseline federal standards,” in addition to what is required by state law.
- (d) If the federal transportation conformity program is changed and becomes less stringent than the applicable baseline federal standards, CARB and air districts must adopt and implement equivalent requirements “at least as stringent as those required by the applicable baseline federal standards, in addition to those required by state law.”
- (e) If U.S. Environmental Protection Agency (EPA) no longer implements the prevention of significant deterioration program in accordance with the applicable baseline federal standards, then, where an air district has not received authority to issue prevention of significant deterioration permits, CARB “shall immediately establish a state prevention of significant deterioration program to issue permits that are at least as stringent as the applicable baseline federal standards.”

The bill establishes similar requirements to prevent backsliding on water, endangered species legislation, and worker safety legislation, as well.

The bill provides that state agencies taking steps to enforce this bill must issue a report to the Legislature every six months.

The bill establishes a private right of action by members of the public to sue to enforce the relevant provisions of this law if the federal Clean Air Act, Clean Water Act, Safe Drinking Water Act, or Endangered Species Act is amended to repeal their respective citizen lawsuit provision.

The bill states that an air district shall not amend or revise its new source review rules or regulations to be less stringent than those that existed on January 1, 2016, or January 1, 2017, whichever is more stringent. If CARB finds, after a public hearing, that an air district’s rules or regulations are not equivalent to or more stringent than its existing rule, CARB shall promptly adopt for that district the rules or regulations that may be necessary to establish equivalency. In amending or revising its new source review rules or regulations, an air district shall not make changes to a list of items (including definitions, calculations,

requirements, that existed on January 1, 2017, if the amendments or revisions would exempt, relax, or reduce the obligations of a stationary source, but may if the change would make the rule or regulation more stringent.

Impact on SCAQMD’s Mission, Operation, or Initiatives: This bill’s intent is to maintain existing clean air requirements in effect despite potential future amendments to EPA regulations or the Clean Air Act. Staff is supportive of the basic intent. However, CAPCOA member attorneys and other staff have identified a number of unintended consequences which could be detrimental to the District’s operations. For example, it would be very difficult to continue to comply with today’s minimum federal air monitoring requirements without today’s level of federal support. Districts would be required to adopt a wide variety of federal requirements including new source performance standards, national emission standards for hazardous air pollutants, and prevention of significant deterioration permit programs, which would require significant staff and Board resources to adopt, as well as to implement and enforce, for those districts not already enforcing these federal requirements. While the bill allows for a district to demonstrate that its requirement is equivalently stringent, there is no process specified for making this determination or for reviewing this determination.

Additionally, the definition of “baseline standards” which the districts and CARB must maintain is overbroad, as it refers not only to federal regulations but also to “authorizations, policies. [and] objectives.” which may lead to litigation over the interpretation of these terms. For example, CARB may be unable to make adjustments it deems needed to its off-road equipment rules because it could not implement a less stringent “authorization” than is currently in effect.

Finally, this bill would give California residents the right to sue violators and obtain civil penalties. Although there is an exception if the Attorney General or other officers are pursuing litigation over the same issue, the exception does not clearly apply to civil actions brought by an air district. Depending on future judicial interpretation, this provision could be used to sue the District for allegedly incorrectly implementing the statute’s requirements. Staff believes it would be more workable to identify certain key Clean Air Act requirements, such as the existing NAAQS and the obligation to attain such NAAQS by specified dates, which should be incorporated into state law, rather than trying to impose the entire CAA and its implementing mechanisms, which would likely have additional unintended consequences.

Recommended Position: WORK WITH AUTHOR

AMENDED IN SENATE FEBRUARY 22, 2017

SENATE BILL

No. 49

Introduced by ~~Senator De León~~ *Senators De León and Stern*

December 5, 2016

~~An act relating to the Budget Act of 2016. An act to add Title 24 (commencing with Section 120000) to the Government Code, and to amend Sections 42501, 42504, 42505, and 42506 of the Health and Safety Code, relating to state prerogative.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 49, as amended, De León. ~~Budget Act of 2016. California Environmental, Public Health, and Workers Defense Act of 2017.~~

(1) The federal Clean Air Act regulates the discharge of air pollutants into the atmosphere. The federal Clean Water Act regulates the discharge of pollutants into water. The federal Safe Drinking Water Act establishes drinking water standards for drinking water systems. The federal Endangered Species Act of 1973 generally prohibits activities affecting threatened and endangered species listed pursuant to that act unless authorized by a permit from the United States Fish and Wildlife Service or the National Marine Fisheries Service, as appropriate.

Existing state law regulates the discharge of air pollutants into the atmosphere. The Porter-Cologne Water Quality Control Act regulates the discharge of pollutants into the waters of the state. The California Safe Drinking Water Act establishes standards for drinking water and regulates drinking water systems. The California Endangered Species Act requires the Fish and Game Commission to establish a list of endangered species and a list of threatened species and generally prohibits the taking of those species. The Protect California Air Act of

2003 prohibits air quality management districts and air pollution control districts from amending or revising their new source review rules or regulations to be less stringent than those rules or regulations that existed on December 30, 2002, except under certain circumstances. That act requires the state board to provide on its Internet Web site, and in writing for purchase by the public, a copy of the federal new source review regulations as they read on December 30, 2002, and a related document.

This bill would prohibit state or local agencies from amending or revising their rules and regulations implementing the above state laws to be less stringent than the baseline federal standards, as defined, and would require specified agencies to take prescribed actions to maintain and enforce certain requirements and standards pertaining to air, water, and protected species. The bill would make conforming changes to the Protect California Air Act of 2003. By imposing new duties on local agencies, this bill would impose a state-mandated local program.

(2) Existing law provides for the enforcement of laws regulating the discharge of pollutants into the atmosphere and waters of the state. Existing law provides for the enforcement of drinking water standards. Existing law provides for the enforcement of the California Endangered Species Act.

This bill would authorize a person acting in the public interest to bring an action to enforce certain standards and requirements implementing the above-mentioned state laws if specified conditions are satisfied. The bill would make the operation of this authorization contingent on the occurrence of certain events.

(3) Existing federal law generally establishes standards for workers' rights and worker safety.

Existing state law generally establishes standards for workers' rights and worker safety.

This bill would prohibit a state agency that implements those laws from amending or revising its rules and regulations in a manner that is less stringent in its protection of workers' rights or worker safety than standards established by federal law in existence as of January 1, 2016.

(4) Existing law authorizes a person to petition a court for the issuance of a writ of mandate to a public agency to compel the performance of an action required by law or to review a decision of the public agency.

This bill would expressly authorize a person to petition a court for a writ of mandate to compel a state or local agency to perform an act required by, or to review a state or local agency’s action for compliance with, this measure.

(5) This bill would require state agencies, on a semi-annual basis, to report to the Legislature on compliance with the above requirements.

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2016.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. Title 24 (commencing with Section 120000) is
2 added to the Government Code, to read:

3
4 TITLE 24. CALIFORNIA ENVIRONMENTAL, PUBLIC
5 HEALTH, AND WORKERS DEFENSE ACT OF 2017

6
7 DIVISION 1. GENERAL PROVISION

8
9 120000. This title shall be known, and may be cited, as the
10 California Environmental, Public Health, and Workers Defense
11 Act of 2017.

12
13 DIVISION 2. ENVIRONMENT, NATURAL RESOURCES, AND
14 PUBLIC HEALTH

15

CHAPTER 1. FINDINGS AND DECLARATIONS

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120010. The Legislature finds and declares all of the following:

(a) For over four decades, California and its residents have relied on federal laws, including the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.), the Federal Water Pollution Control Act (Clean Water Act) (33 U.S.C. Sec. 1251 et seq.), the federal Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.), and the federal Endangered Species Act (16 U.S.C. Sec 1531 et seq.), along with their implementing regulations and remedies, to protect our state's public health, environment, and natural resources.

(b) These federal laws establish standards that serve as the baseline level of public health and environmental protection, while expressly authorizing states like California to adopt more protective measures.

(c) Beginning in 2017, a new presidential administration and United States Congress will be in control of one party that has signaled a series of direct challenges to these federal laws and the protections they provide, as well as to the underlying science that makes these protections necessary, and to the rights of the states to protect their own environment, natural resources, and public health as they see fit.

(d) It is therefore necessary for the Legislature to enact legislation that will ensure continued protections for the environment, natural resources, and public health in the state even if the federal laws specified in subdivision (a) are undermined, amended, or repealed.

120011. The purposes of this division are to do all of the following:

(a) Retain protections afforded under the federal laws specified in subdivision (a) of Section 120010 and regulations implementing those federal laws in existence as of January 1, 2016, or January 1, 2017, whichever is more stringent, regardless of actions taken at the federal level.

(b) Protect public health and welfare from any actual or potential adverse effect that reasonably may be anticipated to occur from pollution, including the effects of climate change.

(c) Preserve, protect, and enhance the environment and natural resources in California, including, but not limited to, the state's national parks, national wilderness areas, national monuments,

1 national seashores, and other areas with special national or
2 regional natural, recreational, scenic, or historic value.

3 (d) Ensure that economic growth will occur in a manner
4 consistent with the protection of public health and the environment
5 and preservation of existing natural resources.

6 (e) Ensure that any decision made by a public agency that may
7 adversely impact public health, the environment, or natural
8 resources is made only after careful evaluation of all the
9 consequences of that decision and after adequate procedural
10 opportunities for informed public participation in the
11 decisionmaking process.

12
13 *CHAPTER 2. DEFINITIONS*

14
15 *120020. For purposes of this division, the following definitions*
16 *apply:*

17 (a) “Baseline federal standards” means the authorizations,
18 policies, objectives, rules, requirements, and standards contained
19 in federal laws or federal regulations implementing the federal
20 laws in existence as of January 1, 2016, or January 1, 2017,
21 whichever is more stringent.

22 (b) “Baseline federal standards for other federal laws” means
23 the authorizations, policies, objectives, rules, requirements, and
24 standards contained in other federal laws or federal regulations
25 implementing the other federal laws in existence as of January 1,
26 2016, or January 1, 2017, whichever is more stringent.

27 (c) “Federal law” means any of the following:

28 (1) The federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.).

29 (2) The federal Endangered Species Act (16 U.S.C. Sec. 1531
30 et seq.).

31 (3) The federal Safe Drinking Water Act (42 U.S.C. Sec. 300f
32 et seq.).

33 (4) The Federal Water Pollution Control Act (33 U.S.C. Sec.
34 1251 et seq.).

35 (d) “Other federal laws” means any other federal law not
36 specified in paragraphs (1) to (4), inclusive, of subdivision (c)
37 relating to environmental protection, natural resources, or public
38 health.

1 *CHAPTER 3. OPERATIVE PROVISIONS*

2
3 *Article 1. General*

4
5 *120030. (a) Except as authorized by state law, a state or local*
6 *agency shall not amend or revise its rules and regulations to be*
7 *less stringent than the baseline federal standards.*

8 *(b) Except as otherwise provided in state law, a state or local*
9 *agency may establish rules and regulations for California that are*
10 *more stringent than the baseline federal standards.*

11 *120031. To the extent authorized by federal law and except as*
12 *authorized by state law, a state or local agency that is delegated*
13 *the authority to enforce other federal laws or that implements the*
14 *state law that is an analogue to the other federal laws shall not*
15 *amend or revise its rules and regulations to be less stringent than*
16 *the baseline federal standards for other federal laws, but may*
17 *establish rules and regulations for California that are more*
18 *stringent than the baseline federal standards for other federal*
19 *laws.*

20
21 *Article 2. Air*

22
23 *120040. The Legislature finds and declares the following:*

24 *(a) The California Global Warming Solutions Act of 2006*
25 *(Division 25.5 (commencing with Section 38500) of the Health*
26 *and Safety Code) and the California Clean Air Act (Division 26*
27 *(commencing with Section 39000) of the Health and Safety Code)*
28 *are the state analogue to the federal Clean Air Act (42 U.S.C. Sec.*
29 *7401 et seq.).*

30 *(b) The State Air Resources Board, air quality management*
31 *districts, and air pollution control districts in California formulate*
32 *and adopt the state implementation plans (SIPs) for California*
33 *under the federal Clean Air Act as well as regional and local air*
34 *quality regulations, and issue permits governing the emission of*
35 *certain substances, including greenhouse gases, into the air.*

36 *120041. Except as otherwise authorized by state law, all of the*
37 *following apply:*

38 *(a) To ensure no backsliding as a result of any change in the*
39 *federal Clean Air Act or its implementing regulations, the State*
40 *Air Resources Board, air quality management districts, and air*

1 *pollution control districts shall maintain and enforce all air quality*
2 *requirements and standards that are at least as stringent as*
3 *required by the baseline federal standards, in addition to those*
4 *required under state law.*

5 *(b) To the extent that the state board has not established a*
6 *standard or requirement for an air pollutant for which a standard*
7 *or requirement exists in the baseline federal standards, the State*
8 *Air Resources Board shall adopt the standard or requirement to*
9 *be at least as stringent as the baseline federal standards.*

10 *(c) The State Air Resources Board, regional air quality*
11 *management districts, and air pollution control districts shall*
12 *adopt SIPs for California that meet requirements that are at least*
13 *as stringent as those required by the applicable baseline federal*
14 *standards, in addition to those required by state law.*

15 *(d) If the federal transportation conformity program becomes*
16 *less stringent than the applicable baseline federal standards, the*
17 *State Air Resources Board, air quality management districts, and*
18 *air pollution control districts shall adopt and implement equivalent*
19 *requirements that are at least as stringent as those required by*
20 *the applicable baseline federal standards, in addition to those*
21 *required by state law.*

22 *(e) If the United States Environmental Protection Agency no*
23 *longer implements the prevention of significant deterioration*
24 *program in accordance with the applicable baseline federal*
25 *standards, then, where an air quality management district or air*
26 *pollution control district has not received authority to issue*
27 *prevention of significant deterioration permits, the State Air*
28 *Resources Board shall immediately establish a state prevention*
29 *of significant deterioration program to issue permits that are at*
30 *least as stringent as the applicable baseline federal standards.*

31

32

Article 3. Water

33

34 *120050. The Legislature finds and declares the following:*

35 *(a) The Porter-Cologne Water Quality Control Act (Division 7*
36 *(commencing with Section 13000) of the Water Code) is the state*
37 *analogue to the Federal Water Pollution Control Act (33 U.S.C.*
38 *Sec. 1251 et seq.), otherwise known as the federal Clean Water*
39 *Act.*

1 (b) *The California Safe Drinking Water Act (Chapter 4*
2 *(commencing with Section 116270) of Part 12 of Division 103 of*
3 *the Health and Safety Code) is the state analogue to the federal*
4 *Safe Drinking Water Act (42 U.S.C. Sec. 300f et seq.).*

5 (c) *The State Water Resources Control Board administers water*
6 *rights and, together with the regional water quality control boards,*
7 *implements the federal Clean Water Act and the Porter-Cologne*
8 *Water Quality Control Act to preserve, protect, enhance, and*
9 *restore water quality by setting statewide policy, formulating and*
10 *adopting water quality control plans, setting standards, issuing*
11 *permits and waste discharge requirements, determining compliance*
12 *with those permits and waste discharge requirements, and taking*
13 *appropriate enforcement actions.*

14 (d) *The State Water Resources Control Board regulates public*
15 *drinking water systems pursuant to the federal Safe Drinking Water*
16 *Act and the California Safe Drinking Water Act to ensure the*
17 *delivery of safe drinking water to Californians.*

18 120051. *Except as otherwise authorized by state law, the*
19 *following apply:*

20 (a) (1) *To ensure no backsliding as a result of any change in*
21 *the federal Clean Water Act, the State Water Resources Control*
22 *Board and regional water quality control boards shall maintain*
23 *and enforce all water supply and water quality standards that are*
24 *at least as stringent as required by the applicable baseline federal*
25 *standards, in addition to those required by state law.*

26 (2) *To ensure no backsliding as a result of any change in the*
27 *federal Safe Drinking Water Act, the State Water Resources*
28 *Control Board shall maintain and enforce all drinking water*
29 *standards that are at least as stringent as required by the*
30 *applicable baseline federal standards, in addition to those required*
31 *by state law.*

32 (b) (1) *To the extent that the State Water Resources Control*
33 *Board has not established a water supply or water quality standard*
34 *or requirement for which a standard or requirement exists in the*
35 *baseline federal standards, the State Water Resources Control*
36 *Board shall adopt the standard or requirement to be at least as*
37 *stringent as the baseline federal standards.*

38 (2) *To the extent that the State Water Resources Control Board*
39 *has not established a drinking water standard or requirement for*
40 *which a standard or requirement exists in the baseline federal*

1 standards, the State Water Resources Control Board shall adopt
2 the standard or requirement to be at least as stringent as the
3 baseline federal standards.

4 (c) (1) Waste discharge requirements and permits that are
5 issued on and after January 1, 2018, shall be at least as protective
6 of the environment and comply with all applicable water quality
7 standards, effluent limitations, and restrictions as required by the
8 applicable federal baseline standards, in addition to those required
9 by state law.

10 (2) Drinking water supply permits that are issued on and after
11 January 1, 2018, shall be at least as protective of public health
12 and comply with all applicable drinking water standards as
13 required by the applicable federal baseline standards, in addition
14 to those required by state law.

15 (d) A water quality control plan adopted on or after January 1,
16 2018, shall be at least as protective of the environment pursuant
17 to, and in compliance with, all applicable water quality standards,
18 effluent limitations, and restrictions as required by the applicable
19 baseline federal standards, in addition to those required by state
20 law.

21 (e) When a waste discharge requirement or water quality control
22 plan is renewed or amended, any water quality standards, effluent
23 limitations, restrictions, and conditions shall be at least as
24 protective of the environment pursuant to, and in compliance with,
25 all applicable water quality standards, effluent limitations, and
26 restrictions as required by the applicable baseline federal
27 standards, in addition to those required by state law.

28

29 *Article 4. Endangered and Threatened Species*

30

31 *120060. The Legislature finds and declares the following:*

32 (a) *The California Endangered Species Act (Chapter 1.5*
33 *(commencing with Section 2050) of Division 3 of the Fish and*
34 *Game Code) is the state analogue to the federal Endangered*
35 *Species Act (16 U.S.C. Sec. 1531 et seq.).*

36 (b) *The California Endangered Species Act prohibits the taking*
37 *of any species that the Fish and Game Commission determines to*
38 *be endangered or threatened, unless the Department of Fish and*
39 *Wildlife allows for take incidental to otherwise lawful activity*

1 pursuant to subdivision (b) of Section 2081 of the Fish and Game
2 Code.

3 120061. Except as otherwise authorized by state law, both of
4 the following apply:

5 (a) To ensure no backsliding as a result of any change to the
6 federal Endangered Species Act, all native species not already
7 listed pursuant to Article 2 (commencing with Section 2070) of
8 Chapter 1.5 of Division 3 of the Fish and Game Code that are
9 listed as endangered or threatened pursuant to the federal
10 Endangered Species Act as of January 1, 2017, shall be listed as
11 an endangered or threatened species, as appropriate, pursuant to
12 Article 2 (commencing with Section 2070) of Chapter 1.5 of
13 Division 3 of the Fish and Game Code. The Fish and Game
14 Commission may review and modify the listing of species pursuant
15 to this section.

16 (b) Any new or revised consistency determination or incidental
17 take permit issued to a permittee on or after January 1, 2018, shall
18 only authorize incidental take if it requires conditions at least as
19 stringent as required by the relevant baseline federal standards,
20 including, but not limited to, any federal incidental take statement,
21 incidental take permit, or biological opinion in effect and
22 applicable to a permittee or project as of January 1, 2016, or
23 January 1, 2017, whichever is more stringent. This subdivision
24 does not modify the requirements of Section 2081 of the Fish and
25 Game Code.

26 120062. To the extent authorized by the federal Reclamation
27 Act of 1902 (Public Law 57-161) and other federal law, the
28 California Endangered Species Act shall apply to the operation
29 of the federal Central Valley Project.

30

31 DIVISION 3. LABOR STANDARDS

32

33 CHAPTER 1. DEFINITIONS

34

35 120100. For purposes of this division, the following definitions
36 apply:

37 (a) “Federal law” means the federal Fair Labor Standards Act
38 of 1938, as amended (29 U.S.C. Secs. 201 et seq.), the federal
39 Occupational Safety and Health Act of 1970, as amended, (29
40 U.S.C. Secs. 651 et seq.), the federal Mine Safety and Health Act

1 of 1969, as amended, (30 U.S.C. Secs. 801 et seq.), and other
2 federal statutes relating to worker rights and protections and
3 regulations, policies, guidance, standards, requirements, and
4 specifications established pursuant to those federal statutes.

5 (b) “State agency” means a state agency designated by law to
6 implement the federal law or its state analogue.

7
8
9

CHAPTER 2. OPERATIVE PROVISIONS

10 120110. Except as authorized by state law, a state agency shall
11 not amend or revise its rules or regulations in a manner that is
12 less stringent in its protection of workers’ rights or worker safety
13 than standards established pursuant to federal law in existence as
14 of January 1, 2016.

15 120111. Except as otherwise provided in state law, a state
16 agency may establish workers’ rights and worker safety standards
17 for California that are more stringent than those provided in
18 federal law in existence as of January 1, 2016.

19
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21

DIVISION 4. MISCELLANEOUS

22 120200. Every state agency, including the Department of
23 Justice, shall undertake all feasible efforts using its authority under
24 state and federal law to implement and enforce this title.
25 Notwithstanding Section 10231.5, every state agency that takes
26 steps to enforce this title shall submit a report to the Legislature,
27 in compliance with Section 9795 of the Government Code, at least
28 once every six months describing its compliance with this title.

29 120201. (a) (1) (A) In addition to the enforcement provisions
30 provided pursuant to the California Global Warming Solutions
31 Act of 2006 (Division 25.5 (commencing with Section 38500) of
32 the Health and Safety Code) or Division 26 (commencing with
33 Section 39000) of the Health and Safety Code, an action may be
34 brought by a person in the public interest to enforce the standards
35 or requirements adopted pursuant to subdivision (b) of Section
36 120041 or to impose civil penalties for a violation of those
37 standards or requirements pursuant to those acts, if both of the
38 following are satisfied:

39 (i) The private action is commenced more than 60 days from
40 the date that the person gave notice of an alleged violation that is

1 *the subject of the private action to the Attorney General and the*
2 *district attorney, city attorney, or prosecutor in whose jurisdiction*
3 *the violation is alleged to have occurred, and to the alleged*
4 *violation.*

5 *(ii) Neither the Attorney General, a district attorney, a city*
6 *attorney, nor a prosecutor commenced and is diligently prosecuting*
7 *an action against the violation.*

8 *(B) A person bringing an action in the public interest pursuant*
9 *to subparagraph (A) and a person filing an action in which a*
10 *violation of those acts is alleged shall notify the Attorney General*
11 *that the action has been filed.*

12 *(2) Paragraph (1) is operative only if either of the following*
13 *occurs:*

14 *(A) The United States Environmental Protection Agency revised*
15 *the standards or requirements described in subdivision (b) of*
16 *Section 120041 to be less stringent than the applicable baseline*
17 *federal standards.*

18 *(B) The federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.) is*
19 *amended to repeal the citizen suit provision set forth in Section*
20 *7604 of Title 42 of the United States Code.*

21 *(b) (1) (A) In addition to the enforcement provisions provided*
22 *pursuant to the Porter-Cologne Water Quality Control Act*
23 *(Division 7 (commencing with Section 13000) of the Water Code),*
24 *an action may be brought by a person in the public interest to*
25 *enforce the standards or requirements adopted pursuant to*
26 *paragraph (1) of subdivision (b) of Section 120051 or to impose*
27 *civil penalties for a violation of those standards or requirements*
28 *pursuant to that act, if the requirements set forth in clauses (i) and*
29 *(ii) of subparagraph (A) of paragraph (1) of subdivision (a) are*
30 *met.*

31 *(B) A person bringing an action in the public interest pursuant*
32 *to subparagraph (A) and a person filing an action in which a*
33 *violation of that act is alleged shall notify the Attorney General*
34 *that the action has been filed.*

35 *(2) Paragraph (1) is operative only if either of the following*
36 *occurs:*

37 *(A) The United States Environmental Protection Agency revised*
38 *the standards or requirements described in paragraph (1) of*
39 *subdivision (b) of Section 120051 to be less stringent than the*
40 *applicable baseline federal standards.*

1 (B) *The federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.)*
2 *is amended to repeal the citizen suit provision set forth in Section*
3 *1365 of Title 33 of the United States Code.*

4 (c) (1) (A) *In addition to the enforcement provisions provided*
5 *pursuant to the California Safe Drinking Water Act (Chapter 4*
6 *commencing with Section 116270) of Part 12 of Division 104 of*
7 *the Health and Safety Code), an action may be brought by a person*
8 *in the public interest to enforce the standards or requirements*
9 *adopted pursuant to paragraph (2) of subdivision (b) of Section*
10 *120051 or to impose civil penalties for a violation of those*
11 *standards or requirements pursuant to that act, if the requirements*
12 *set forth in clauses (i) and (ii) of subparagraph (A) of paragraph*
13 *(1) of subdivision (a) are met.*

14 (B) *A person bringing an action in the public interest pursuant*
15 *to subparagraph (A) and a person filing an action in which a*
16 *violation of that act is alleged shall notify the Attorney General*
17 *that the action has been filed.*

18 (2) *Paragraph (1) is operative only if either of the following*
19 *occurs:*

20 (A) *The United States Environmental Protection Agency revised*
21 *the standards or requirements described in paragraph (2) of*
22 *subdivision (b) of Section 120051 to be less stringent than the*
23 *applicable baseline federal standards.*

24 (B) *The federal Safe Drinking Water Act (42 U.S.C. Sec. 300f*
25 *et seq.) is amended to repeal the citizen suit provision set forth in*
26 *Section 300j-8 of Title 42 of the United States Code.*

27 (d) (1) (A) *In addition to the enforcement provisions provided*
28 *pursuant to the California Endangered Species Act (Chapter 1.5*
29 *commencing with Section 2050) of Division 3 of the Fish and*
30 *Game Code), an action may be brought by a person in the public*
31 *interest to enforce the requirements of the California Endangered*
32 *Species Act for a species listed pursuant to subdivision (a) of*
33 *Section 120061 or to impose civil penalties for a violation of those*
34 *requirements, if the requirements set forth in clauses (i) and (ii)*
35 *of subparagraph (A) of paragraph (1) of subdivision (a) are met.*

36 (B) *A person bringing an action in the public interest pursuant*
37 *to subparagraph (A) and a person filing an action in which a*
38 *violation of that act is alleged shall notify the Attorney General*
39 *that the action has been filed.*

1 (2) Paragraph (1) is operative only if either of the following
2 occurs:

3 (A) The relevant federal agency revised the standards or
4 requirements for the protection of species described in subdivision
5 (a) of Section 120061 to be less protective than the applicable
6 baseline federal standards.

7 (B) The federal Endangered Species Act (16 U.S.C. Sec. 1531
8 et seq.) is amended to repeal the citizen suit provision set forth in
9 Section 1540 of Title 16 of the United States Code.

10 (e) An action or proceeding may be brought pursuant to Section
11 1085 or 1094.5 of the Code of Civil Procedure, as appropriate,
12 on the grounds that a state or local agency has violated the
13 requirements of this title or Section 42501 or 42504 of the Health
14 and Safety Code.

15 (f) The court may award attorney's fees pursuant to Section
16 1021.5 of the Code of Civil Procedure, and expert fees and court
17 costs pursuant to Section 1033 of the Code of Civil Procedure, as
18 appropriate, for an action brought pursuant to this section.

19 120202. The provisions of this title are severable. If any
20 provision of this title or its application is held invalid, that
21 invalidity shall not affect other provisions or applications that can
22 be given effect without the invalid provision or application.

23 SEC. 2. Section 42501 of the Health and Safety Code is
24 amended to read:

25 42501. The Legislature finds and declares all of the following:

26 (a) For over 25 years, the federal Clean Air Act (42 U.S.C. Sec.
27 7401, et seq.) has required major new and modified sources of air
28 pollution to be subject to a new source review program for
29 nonattainment areas and for the prevention of significant
30 deterioration, in order to ensure that those sources use the requisite
31 level of emission control, offset any new emissions, and comply
32 with other requirements, as a means of ensuring that those new
33 and modified sources do not adversely affect air quality.

34 (b) Requiring controls and emission offsets for new and
35 modified sources ensures that industrial growth does not result in
36 unacceptable levels of air pollution and that existing sources
37 operate more cleanly over time by applying emission controls
38 when those sources are overhauled or upgraded. Without these
39 limits, air quality would degrade over time, and industrial growth,
40 critical to the economic health of the state, would be foreclosed.

1 (c) The new source review program has been a cornerstone of
2 the state’s efforts to reduce pollution from new and existing
3 industrial sources by requiring those sources to use the requisite
4 level of emission controls based on the attainment status of the
5 area where the source is located.

6 (d) The U.S. Environmental Protection Agency (U.S. E.P.A.)
7 initially promulgated, and subsequently has revised, the new source
8 review program to carry out the requirements of the federal Clean
9 Air Act for preconstruction review of new and modified sources
10 of air pollutants by the states.

11 (e) On December 31, 2002, the U.S. E.P.A., under the direction
12 of the President of the United States, promulgated regulations that
13 substantially weaken the basic federal new source review program
14 (67 Fed.Reg. 80186-80289 (Dec. 31, 2002)). In promulgating the
15 regulatory amendments, the U.S. E.P.A. claims that the new source
16 review program has impeded or resulted in the cancellation of
17 projects that would maintain or improve reliability, efficiency, and
18 safety. This claim is contradicted by California’s experience under
19 the new source review programs of the air pollution control and
20 air quality management districts.

21 (f) The amendments promulgated December 31, 2002, will
22 drastically reduce the circumstances under which modifications
23 at an existing source would be subject to federal new source review.
24 The U.S. E.P.A. has also proposed a rule that will change the
25 definition of “routine maintenance, repair and replacement.” If
26 that rule is finalized, it will significantly worsen the situation.

27 (g) The newly revised and proposed federal new source review
28 reneges on the promise of clean air embodied in the federal Clean
29 Air Act, and threatens to undermine the air quality of the State of
30 California and thereby threaten the health and safety of the people
31 of the State of California.

32 (h) *Beginning in 2017, a new presidential administration and*
33 *United States Congress will be in control of one party that has*
34 *signaled a series of direct challenges to the federal Clean Air Act*
35 *and the programs and protections they provide, as well as to the*
36 *underlying science that makes these programs and protections*
37 *necessary, and to the rights of the states to protect their own*
38 *environment, natural resources, and public health as they see fit.*

39 (h)

1 (i) Section 107 of the federal Clean Air Act (42 U.S.C. Sec.
 2 7407) provides that the state has primary responsibility for meeting
 3 ambient air quality standards in all areas of the state, and that the
 4 means to achieve the standards shall be set out in the state
 5 implementation plan, or SIP.

6 (i)

7 (j) Section 116 of the federal Clean Air Act (42 U.S.C. Sec.
 8 7416) preserves the right of states to adopt air pollution control
 9 requirements that are more stringent than comparable federal
 10 requirements. Moreover, the recent revisions to the federal new
 11 source review regulations provide that the states may adopt
 12 permitting programs that are “at least as stringent” as the new
 13 federal “revised base program,” and that the federal regulations
 14 “certainly do not have the goal of ‘preempting’ State creativity or
 15 innovation.” (67 Fed.Reg. 80241 (Dec. 31, 2002)).

16 SEC. 3. Section 42504 of the Health and Safety Code is
 17 amended to read:

18 42504. (a) ~~No An air-quality management district or air~~
 19 ~~pollution control district may~~ shall not amend or revise its new
 20 source review rules or regulations to be less stringent than those
 21 that existed on ~~December 30, 2002, January 1, 2016, or January~~
 22 ~~1, 2017, whichever is more stringent.~~ If the state board finds, after
 23 a public hearing, that a district’s rules or regulations are not
 24 equivalent to or more stringent than the rules or regulations that
 25 existed on ~~December 30, 2002, January 1, 2016, or January 1,~~
 26 ~~2017, whichever is more stringent,~~ the state board shall promptly
 27 adopt for that district the rules or regulations that may be necessary
 28 to establish equivalency, consistent with subdivision (b).

29 (b) (1) In amending or revising its new source review rules or
 30 regulations, a district ~~may~~ shall not change any of the following
 31 that existed on ~~December 30, 2002, January 1, 2017,~~ if the
 32 amendments or revisions would exempt, ~~relax~~ *relax*, or reduce the
 33 obligations of a stationary source for any of the requirements listed
 34 in paragraph (2):

35 (A) The applicability determination for new source review.

36 (B) The definition of modification, major modification, routine
 37 maintenance, or repair or replacement.

38 (C) The calculation methodology, ~~thresholds~~ *threshold*, or other
 39 procedures of new source review.

1 (D) Any definitions or requirements of the new source review
2 regulations.

3 (2) (A) Any requirements to obtain new source review or other
4 permits to construct, prior to *the* commencement of construction.

5 (B) Any requirements for best available control technology
6 (BACT).

7 (C) Any requirements for air quality impact analysis.

8 (D) Any requirements for recordkeeping, monitoring and
9 reporting in a manner that would make recordkeeping, monitoring,
10 or reporting less representative, enforceable, or publicly accessible.

11 (E) Any requirements for regulating any air pollutant covered
12 by the new source review rules and regulations.

13 (F) Any requirements for public participation, including a public
14 comment period, public notification, public hearing, or other
15 opportunities or forms of public participation, prior to *the* issuance
16 of permits to construct.

17 (c) In amending or revising its new source review rules or
18 regulations, a district may change any of the items in paragraph
19 (1) of subdivision (b) only if the change is more stringent than the
20 new source review rules or regulations that existed on ~~December~~
21 ~~30, 2002~~, *January 1, 2016, or January 1, 2017, whichever is more*
22 *stringent*.

23 (d) Notwithstanding subdivisions (a), (b), and (c), a district may
24 amend or revise a rule or regulation if a district board, at the time
25 the amendments or revisions are adopted, makes its decision based
26 upon substantial evidence in the record, the amendments or
27 revisions are submitted to and approved by the state board after a
28 public hearing, and each of the following conditions is met:

29 (1) The amended or revised rule or regulation will do one of
30 the following:

31 (A) Will replace an existing rule or regulation that caused a risk
32 to public health or safety from exposure to a toxic material, a
33 dangerous condition, or an infectious disease with a rule or
34 regulation that provides greater protection to public health or safety.

35 (B) Will replace an existing rule or regulation that has been
36 found to be unworkable due to engineering or other technical
37 problems with a rule or regulation that is effective.

38 (C) Will allow an amendment to an existing rule or regulation
39 that otherwise will cause substantial hardship to a business,

1 industry, or category of sources, if all of the following criteria are
2 met:

3 (i) The amendment is narrowly tailored to relieve the identified
4 hardship.

5 (ii) The district provides equivalent reductions in emissions of
6 air contaminants to offset any increase in emissions of air
7 contaminants.

8 (iii) All reductions in emissions of air contaminants are real,
9 surplus, quantifiable, verifiable, enforceable, and timely. For the
10 purposes of this clause, reductions are timely if they occur no more
11 than three years prior to, and no more than three years following,
12 the occurrence of the increase in emissions of air contaminants.

13 (iv) Information regarding the reductions in emissions of air
14 contaminants is available to the public.

15 (D) Is a temporary rule or regulation necessary to respond to
16 an emergency consisting of a sudden, unexpected occurrence and
17 demanding prompt action to prevent or mitigate loss of or damage
18 to life, health, property, or essential services and the temporary
19 rule or regulation does not extend beyond the reasonably
20 anticipated duration of the emergency.

21 (E) Will not, if the district is in attainment with all national
22 ambient air quality standards, impair or impede continued
23 maintenance of those standards or progress toward achieving *the*
24 attainment of state ambient air quality standards.

25 (2) The amended or revised rule or regulation will not exempt,
26 relax, or reduce the obligation of any stationary source under the
27 rules or regulations of the district, as those rules or regulations
28 existed on ~~December 30, 2002~~, *January 1, 2017*, to obtain a permit
29 or to meet best available control technology requirements. This
30 paragraph only applies to a source that constituted a major source
31 under the rules or regulations of a district that existed on ~~December~~
32 ~~30, 2002~~, *January 1, 2017*, and does not apply to any individual
33 best available control technology determination.

34 (3) The amended or revised rule or regulation is otherwise
35 consistent with this division.

36 (4) The amended or revised rule or regulation is consistent with
37 any guidance approved by the state board regarding environmental
38 justice.

39 *SEC. 4. Section 42505 of the Health and Safety Code is*
40 *amended to read:*

1 42505. For purposes of this chapter, each district’s ~~“existing~~
2 ~~new~~ “new source review program” is comprised of those new
3 source review rules and regulations for both nonattainment and
4 prevention of significant deterioration for new, modified, repaired,
5 or replaced sources that have been adopted by the district governing
6 board on or prior to ~~December 30, 2002, January 1, 2017,~~ that
7 have been submitted to the U.S. Environmental Protection Agency
8 by the state board for inclusion in the state implementation plan
9 and are pending approval or have been approved by the U.S.
10 Environmental Protection Agency.

11 *SEC. 5. Section 42506 of the Health and Safety Code is*
12 *amended to read:*

13 42506. ~~In order to~~ *To* assist in interpreting district rules and
14 regulations governing new source review for nonattainment areas
15 and for prevention of significant deterioration, the state board shall
16 provide on its *Internet* Web site and in writing for purchase by the
17 public, a copy of the federal new source review regulations as they
18 existed on December 30, 2002, *January 1, 2016,* and *January 1,*
19 *2017,* and the United States Environmental Protection Agency’s
20 guidance document entitled, “New Source Review Workshop
21 Manual: Prevention of Significant Deterioration and Nonattainment
22 Area Permitting,” (October 1990 Draft).

23 *SEC. 6. The provisions of this act are severable. If any*
24 *provision of this act or its application is held invalid, that invalidity*
25 *shall not affect other provisions or applications that can be given*
26 *effect without the invalid provision or application.*

27 *SEC. 7. No reimbursement is required by this act pursuant to*
28 *Section 6 of Article XIII B of the California Constitution because*
29 *a local agency or school district has the authority to levy service*
30 *charges, fees, or assessments sufficient to pay for the program or*
31 *level of service mandated by certain mandates in this act, within*
32 *the meaning of Section 17556 of the Government Code.*

33 *However, if the Commission on State Mandates determines that*
34 *this act contains other costs mandated by the state, reimbursement*
35 *to local agencies and school districts for those costs shall be made*
36 *pursuant to Part 7 (commencing with Section 17500) of Division*
37 *4 of Title 2 of the Government Code.*

1 SECTION 1. ~~It is the intent of the Legislature to enact statutory~~
2 ~~changes relating to the Budget Act of 2016.~~

O

HR 1090 (Reed (R-NY))
Technologies for Energy Security Act of 2017

Summary: This bill reinstates and extends through 2021 commercial and residential installation tax credits for geothermal heat pumps, fuel cells, microturbines, small wind and combined heat and power.

Background: In December 2015 Congress passed a five-year extension of investment and production tax credits for commercial solar energy and residential solar energy installations, but neglected to include geothermal heat pumps and other qualifying clean energy technologies. Tax credits for the “orphaned” clean energy technologies ended at midnight on Dec. 31, 2016.

Without the tax credits, geothermal heat pump manufacturers project a 30-40% sales decline in 2017 and beyond with thousands of jobs at stake.

Not continuing the tax credit for fuel cells has created a significant market disadvantage for American made and natural gas powered fuel cells. Several US fuel cell manufacturers have already announced layoffs and millions of dollars of investment are sitting on the sidelines because of this market distortion.

Status: Introduced February 15, 2017. Referred to the House Committee on Ways and Means. No hearing has been set.

Specific Provisions: This bill would ensure that fuel cells, thermal energy, combined heat and power, and other technologies are treated the same as wind and solar.

This bill amends the Internal Revenue Code to reinstate and extend through 2021 commercial and residential installation tax credits for geothermal heat pumps, fuel cells, microturbines, small wind energy equipment and combined heat and power. Included are a 10% commercial investment tax credit, and a 30% residential income tax credit.

The Technologies for Energy Security Act provides a total phase-out of the Investment Tax Credit (ITC) by 2022. This bill provides for the same tax benefits as those provided for solar energy projects. For residential applications this includes a retroactive tax credit of 30% that phases out in steps (by reducing it to 26% or 22%), before ending on Dec. 31, 2021. The commercial tax credit will remain at 10% through 2021.

The bill also changes “placed in service” language in the tax code to “construction of which begins before Jan. 1, 2022” for commercial projects, meaning that consumers can receive the tax credit even if they just begin construction just before the new expiration date.

The bill phases out the current credit rate of 30% for investments in fuel cell property, small wind energy property, and fiber-optic solar energy property.

These fuel cells are large stationary fuel cells, not those used in vehicles. Leading American companies are installing fuel cells for secure, onsite electricity serving as protection from grid outages caused by storms or physical or cyber-attack to the US electrical grid. Fuel cells are powered by US produced natural gas. The fuel cell industry consumes over \$200 million a year in natural gas. As both the fuel cells for electricity and fuel cells for material handling equipment sectors mature this number will increase dramatically, creating a significant new market to use domestic natural gas resources in a clean and efficient way.

Impacts on SCAQMD’s Mission, Operations or Initiatives:

This bill will make fuel cells and other clean energy technologies more affordable and help spur innovation.

Energy storage and battery systems, such as fuel cells, can help us achieve climate, clean air and domestic manufacturing goals. Decreasing America’s dependence on fossil fuels, reducing carbon emissions, and boosting clean energy technologies can transform our economy and our society. An improved and expanded economy will provide an untold opportunity for our American manufacturing sector—and every small business along the supply chain.

By establishing tax parity for fuel cell technologies, thermal energy, combined heat and power, and other technologies, treating them all the same as wind and solar, it will help spur the development of these technologies and not favor one technology over

Recommended Position:
SUPPORT

115TH CONGRESS
1ST SESSION

H. R. 1090

To amend the Internal Revenue Code of 1986 to extend the credit for residential energy efficient property and the energy credit.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 15, 2017

Mr. REED (for himself, Mr. MEEHAN, Mr. THOMPSON of California, Mr. BLUMENAUER, Mr. FASO, Mr. LARSON of Connecticut, Mr. TONKO, Mr. POCAN, Mr. CÁRDENAS, Mr. ROKITA, Mr. MULLIN, Mr. KIND, Mr. COLE, Mrs. LOVE, Mr. REICHERT, Mr. LOBIONDO, Mr. BLUM, Mr. CURBELO of Florida, Mr. YOUNG of Iowa, and Mr. COSTELLO of Pennsylvania) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to extend the credit for residential energy efficient property and the energy credit.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Technologies for En-
5 ergy Security Act of 2017”.

1 **SEC. 2. EXTENSION AND PHASEOUT OF RESIDENTIAL EN-**
2 **ERGY EFFICIENT PROPERTY.**

3 (a) EXTENSION.—Section 25D(h) of the Internal
4 Revenue Code of 1986 is amended by striking “December
5 31, 2016 (December 31, 2021, in the case of any qualified
6 solar electric property expenditures and qualified solar
7 water heating property expenditures)” and inserting “De-
8 cember 31, 2021”.

9 (b) PHASEOUT.—

10 (1) IN GENERAL.—Paragraphs (3), (4), and (5)
11 of section 25D(a) of such Code are amended by
12 striking “30 percent” each place it appears and in-
13 serting “the applicable percentage”.

14 (2) CONFORMING AMENDMENT.—Section
15 25D(g) of such Code is amended by striking “para-
16 graphs (1) and (2) of”.

17 (c) EFFECTIVE DATE.—The amendments made by
18 this section shall take effect on the date of the enactment
19 of this Act.

20 **SEC. 3. EXTENSION OF ENERGY CREDIT.**

21 (a) SOLAR ENERGY PROPERTY.—Paragraph
22 (3)(A)(ii) of section 48(a) of the Internal Revenue Code
23 of 1986 is amended by striking “periods ending before
24 January 1, 2017” and inserting “property the construc-
25 tion of which begins before January 1, 2022”.

1 (b) QUALIFIED FUEL CELL PROPERTY.—Section
2 48(e)(1)(D) of such Code is amended by striking “for any
3 period after December 31, 2016” and inserting “the con-
4 struction of which does not begin before January 1,
5 2022”.

6 (c) QUALIFIED MICROTURBINE PROPERTY.—Section
7 48(e)(2)(D) of such Code is amended by striking “for any
8 period after December 31, 2016” and inserting “the con-
9 struction of which does not begin before January 1,
10 2022”.

11 (d) COMBINED HEAT AND POWER SYSTEM PROP-
12 erty.—Section 48(e)(3)(A)(iv) of such Code is amended
13 by striking “which is placed in service before January 1,
14 2017” and inserting “the construction of which begins be-
15 fore January 1, 2022”.

16 (e) QUALIFIED SMALL WIND ENERGY PROPERTY.—
17 Section 48(c)(4)(C) of such Code is amended by striking
18 “for any period after December 31, 2016” and inserting
19 “the construction of which does not begin before January
20 1, 2022”.

21 (f) THERMAL ENERGY PROPERTY.—Section
22 48(a)(3)(A)(vii) of such Code is amended by striking “pe-
23 riods ending before January 1, 2017” and inserting
24 “property the construction of which begins before January
25 1, 2022”.

1 (g) PHASEOUT OF 30 PERCENT CREDIT RATE FOR
2 FUEL CELL AND SMALL WIND ENERGY PROPERTY.—
3 Subsection (a) of section 48 of such Code is amended by
4 adding at the end the following new paragraph:

5 “(7) PHASEOUT FOR QUALIFIED FUEL CELL
6 PROPERTY AND QUALIFIED SMALL WIND ENERGY
7 PROPERTY.—In the case of qualified fuel cell prop-
8 erty or qualified small wind energy property, the
9 construction of which begins before January 1,
10 2022, the energy percentage determined under para-
11 graph (2) shall be equal to—

12 “(A) in the case of any property the con-
13 struction of which begins after December 31,
14 2019, and before January 1, 2021, 26 percent,
15 and

16 “(B) in the case of any property the con-
17 struction of which begins after December 31,
18 2020, and before January 1, 2022, 22 per-
19 cent.”.

20 (h) PHASEOUT FOR FIBER-OPTIC SOLAR ENERGY
21 PROPERTY.—Section 48(a)(6) of such Code is amended
22 by inserting “or (3)(A)(ii)” after “paragraph (3)(A)(i)”.

1 (i) EFFECTIVE DATE.—The amendments made by
2 this section shall take effect on the date of the enactment
3 of this Act.

○

ATTACHMENT 5

DRAFT

*****Health and Safety Code Section 40447.5 is amended as follows:**

§ 40447.5. Rules and regulations regulating public and commercial fleet vehicles, encouraging ridesharing for commuters, and regulating operation of heavy-duty trucks

Notwithstanding any other provision of law, the south coast district board may adopt regulations that do all of the following:

- (a) Require operators of public and commercial fleet vehicles, consisting of ~~15~~ one or more vehicles under a single owner or lessee and operating substantially in the south coast district, ~~when adding vehicles to or replacing vehicles in an existing fleet or purchasing vehicles to form a new fleet,~~ to purchase zero-emission and near-zero emission vehicles ~~which are capable of operating on methanol or other equivalently clean burning alternative fuel~~ and to require that these vehicles be operated, to the maximum extent feasible, ~~on the alternative fuel when operating~~ in the south coast district. Notwithstanding Section 39021, as used in this subdivision, the term commercial fleet vehicles is not limited to vehicles that are operated for hire, compensation, or profit. No regulation adopted pursuant to this paragraph shall apply to emergency vehicles operated by local law enforcement agencies, fire departments, or to paramedic and rescue vehicles until the south coast district board finds and determines that the zero-emission or near-zero emission vehicle ~~alternative fuel is available at sufficient locations so that will not impair~~ the emergency response capabilities of those vehicles ~~is not impaired~~.
- (b) For purposes of this section, zero- and near-zero emissions mean vehicles, fuels, and related technologies that meet requirements set by the district board that substantially reduce oxides of nitrogen emissions by 90% or greater when compared with conventional or fully commercialized alternatives operating with engines certified at the 2010 model year baseline oxides of nitrogen emission standard established by the state board. Zero- and near-zero emissions may include, but is not limited to, zero-emission technology, enabling technologies that provide a pathway to emissions reductions, advanced or alternative fuel engines for long-haul trucks, and hybrid or alternative fuel technologies for trucks and off-road equipment.
- (~~b~~c) Encourage and facilitate ridesharing for commuter trips into, out of, and within the south coast district.

(ed) Prohibit or restrict the operation of heavy-duty trucks during hours of heaviest commuter traffic on freeways and other high traffic volume highways. In adopting regulations pursuant to this paragraph, the south coast district shall consult with the Department of Transportation and the Department of the California Highway Patrol and the transportation commission of each county in the south coast district. No regulation adopted pursuant to this paragraph shall, however, prohibit or restrict the operation of any heavy-duty truck engaged in hauling solid or hazardous waste or a toxic substance if that truck is required to be operated at certain times of day pursuant to an ordinance adopted for the protection of public health or safety by a city or county or any heavy-duty truck required to be operated at certain times of the day pursuant Section 25633 of the Business and Professions Code.

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 21

REPORT: Refinery Committee

SYNOPSIS: The Refinery Committee met Saturday, April 1, 2017 and Saturday, April 8, 2017 for an Investigative Hearing held at the Torrance Marriott Hotel into matters concerning the Torrance Refinery. Following is a summary of those meetings.

RECOMMENDED ACTION:
Receive and File

Clark E. Parker, Sr., Chair
Refinery Committee

PMF:SN:MK:CL

APRIL 1, 2017

Attendance

Dr. Clark E. Parker, Sr., Dr. Joseph Lyou and Councilmember Judith Mitchell were in attendance. Mayor Pro Tem Benoit was absent due to a conflict with his schedule. Dr. William Burke was named an Ad Hoc member of the committee for purposes of this meeting.

Welcome/Opening Remarks

Dr. Burke said he was motivated to conduct this hearing when he heard about the February 18, 2015 explosion at the then-ExxonMobil, (now- Torrance Refining Company (TRC) refinery, especially in light of government's responsibility for ensuring that people feel safe in their homes.

Dr. Parker then provided a recent timeline of events that occurred at the Torrance Refinery as well as a description of this investigative hearing that will involve panel discussions to learn about actions that are currently being taken or could be taken to make the refinery safer, and receive public comments.

Overview

SCAQMD Executive Officer Wayne Nastri presented an overview of the TRC refinery capacity, ownership, location, and recent history regarding the 2015 explosion and 24 unplanned flaring events resulting in high SO_x emissions. Dr. Philip Fine, SCAQMD Deputy Executive Officer, highlighted the upcoming four SCAQMD proposed rules or rule amendments affecting refineries that will address flaring, fence-line and community monitoring, the use of hydrogen fluoride (HF) and NO_x RECLAIM. Dr. Fine also noted the opportunities for public information and input during the rulemaking process including working group meetings, public workshops, commenting opportunities, and providing material online.

Panel Discussions

Elected Officials

The first panel of elected officials was comprised of Assemblymember Al Muratsuchi, City of Torrance Mayor Patrick Furey and Los Angeles County Supervisor Janice Hahn. Assemblymember Muratsuchi outlined his five pending legislative bills including requirements to phase out HF, to establish a community alert system, to install air quality monitors, to increase inspections, and the continuation of a task force. These bills were introduced in response to what he viewed as a community in a “crisis of confidence” with TRC, but he personally did not want to see the refinery shut down. Mayor Furey read a Resolution recently adopted by the Torrance City Council that supports the efforts of other government agencies in ensuring the safety of the TRC refinery. Supervisor Hahn recognized the mounting concern in the community surrounding the refinery and supports a ban on HF and modified HF (MHF), noting its usage occurs in only two refineries in California that are both in her district. She maintained that phasing out the use of HF was not a matter of “if, but when and how.” She emphasized the importance of exploring and utilizing safer alternatives to HF for the protection of the community and the workers who need to keep their good jobs.

State Agency Representatives

The second panel of state agency representatives included Paul Penn, Emergency Management & Refinery Safety Program Manager at CalEPA and Michael Benjamin, Division Chief from CARB’s Monitoring Division. Both panelists gave presentations on projects and programs in Northern California that could provide lessons learned on how to address concerns with the TRC refinery. Mr. Penn described the multi-agency efforts of the Governor’s Interagency Refinery Task Force, which is working to improve safety and community outreach through multiple coordinated efforts. Agencies are reviewing regulations and proposing changes to improve safety. Mr. Benjamin explained state-wide efforts to assess refineries and suggested three areas of potential improvements: to collect fence-line emissions data in real time, provide public access to the information, and employ enhanced dispersion modeling. Councilmember Mitchell inquired as to the mechanisms to implement community outreach for

emergency preparedness planning. Mr. Penn suggested holding safety forums that are hosted by a number of government agencies, such as CalFire and local air districts, to prepare the community for emergencies. Dr. Parker wanted to know if CalEPA has any safety rules or measures for HF; Mr. Penn responded that they do not.

Federal Agency Representative

The third panelist was Daniel Meer, U.S. EPA Assistant Director, Superfund Division. Mr. Meer discussed the preliminary findings from recent inspections of TRC refinery that were compiled into a formal letter released to the public. U.S. EPA concluded a worst-case scenario modeling for off-site toxic impacts would not meet regulatory requirements, and made initial findings of deficient operating procedures, operating without safeguards, and deficiencies in equipment not corrected in a timely manner. He noted that these findings are preliminary and U.S. EPA is early in the process. Dr. Parker inquired about the concrete waste pit that did not have the required permit from the Department of Toxic Substances Control (DTSC). Councilmember Mitchell was concerned about the deficiencies with the safety equipment and how those issues would be handled. U.S. EPA found fault with valve equipment that was designed to mitigate any HF releases as well as staff not following procedures. Mr. Meer could not provide a timeline because the U.S. EPA process involves a response from the refinery as to the immediate steps to correct the deficiencies, assuming the refinery agrees with the findings. Councilmember Mitchell asked to be kept informed as to the actions taken in response to the findings, in case any further action needs to be taken by the SCAQMD Board. She also highlighted the finding that the refinery lacked adequate oversight and questioned how U.S. EPA resolves something that is not equipment or a measurement. Mr. Meer noted the new TRC management seemed to not be clear as to how the 'chain of command' would work, but believed it could be resolved once U.S. EPA has a better understanding how their management structure functions. Dr. Burke needed clarification on the U.S. EPA process and was concerned the findings released to the public are preliminary. Mr. Meer emphasized that their process allows the refinery to respond and possibly provide more information that may reverse or alter the original finding. Dr. Lyou requested that staff inquire with DTSC as to the status of the waste pit permit, and said he was alarmed by the U.S. EPA report. He questioned how the TRC refinery compared to other facilities U.S. EPA inspects. On a scale of 1-to 10, Mr. Meer identified the facility in the 5-7 range based on the findings, but held hope that TRC staff wants to have a safe environment. Dr. Lyou understands the U.S. EPA process but encouraged final action to be taken as soon as possible knowing that the SCAQMD is moving quickly to rulemaking. Mr. Meer noted that their inspection process does not involve a formal public process but comments on the letter can be submitted to U.S. EPA.

Air Districts

The fourth panel was comprised of Bay Area AQMD Enforcement Director Wayne Kino, and SCAQMD Deputy Executive Officer Laki Tisopulos. Mr. Kino outlined lessons learned from the 2012 Chevron Refinery crude unit fire, which was due to pipe corrosion, as an example of what an air district can do to address potential refinery incidents. Programs that can help prevent major refinery incidents include rule development, enforcement and inspections, and violation settlement agreements.

Dr. Tisopulos discussed the independent study done by Norton Engineering that evaluated commercially available options for replacing current MHF Alkylation units including sulfuric acid, solid acid, and ionic liquid. He highlighted the characteristics and cost of each alkylation process, the safety measures to detect leaks of HF or MHF, the significant potential increase of truck trips for supply of sulfuric acid compared to the more efficient HF, and the promising new technologies. Councilmember Mitchell wanted to know if there would be ongoing costs for solid acid since the catalyst was precious metal-based. While not much is known about the new technology, it is anticipated the catalyst would have to be replaced every 4-5 years, but that the precious metals could be recycled and reused once cleaned. Ionic liquid technology does not require precious metals but would also have to be replaced periodically.

Transitioning from HF to Other Alkylation Technologies - A UK Example

Glyn Jenkins, a refinery consultant, presented information for the fifth panel. Mr. Jenkins discussed the electrical reliability needed for a refinery, a UK refinery that converted from HF to sulfuric acid and solid acid alkylation, and an itemization of the reasons for the past 92 breakdowns or shutdowns at the refinery. Dr. Parker wanted to know about the location of petroleum refineries in urban areas. While there are global refineries in urban areas, the two located in the L.A. metropolitan area are unique because of the use of HF near a high-density population. The danger of HF is higher as it attacks calcium and bones while sulfuric acid tends to just burn the skin. Councilmember Mitchell wanted to know if the solid acid conversion from HF was successful, which is the reason the facility is converting the sulfuric acid alkylation to solid acid. In addition, the UK refinery's solid acid alkylation unit produces 26,000 barrels per day (bpd), similar to the TRC refinery's MHF alkylation unit at 25,000 bpd. Mr. Jenkins misunderstood the question, which was clarified by Mr. Natri after lunch. The response is that a number of refineries in the UK were considering switching from HF to other alkylation technologies. One UK refinery has already switched from HF to other alkylation technologies. Dr. Lyou sought to understand why the refinery representatives claim that solid acid alkylation has not been done before, which seems to be contradictory to the UK refinery. Dr. Parker asked if the conversion to solid acid would cost approximately \$125 million, but the only information Mr. Jenkins had was the cost at the UK refinery at \$250 million. Councilmember Mitchell wanted to know if Mr. Jenkins would know how much it could cost TRC to convert from HF to solid acid but he could not provide an estimate at this time. Dr. Burke mentioned that both HF and

sulfuric acid are not great options. Councilmember Mitchell differentiated the two acids since HF vaporizes upon release and travels long distances where sulfuric acid is likely to stay in one place. Dr. Tisopulos noted the solid acid and ionic liquid technologies do not have the same safety and hazard risk impacts compared to the other acids. Information on the cost of the new technologies are limited.

Local Agency Representatives

The sixth panel was comprised of Torrance Fire Chief Martin Serna and L.A. County Fire Chief Bill Jones. Chief Serna believes the refinery workers are highly trained to respond to incidents, but is disheartened with “misinformation” that generates fear in the community. He is encouraged by the proactive solutions being generated by other government agencies. Chief Serna noted there have been no off-site impacts with MHF in over 25 years and his team has worked hard to educate the public as to the safety systems in place, albeit he was unable to discuss the MHF additive due to it being proprietary information as agreed to in the Consent Decree. He intends on requiring a hazard analysis of the refinery with a focus on safer technologies. Top priorities are life safety, environmental protection and property conservation. Dr. Parker sought clarity as to the proprietary information in the Decree that was signed by the City of Torrance and Mobil refinery. Chief Serna announced that TRC and the maker of the additive are releasing a report that will provide more detailed information with regards to the makeup of MHF and its effectiveness.

Chief Jones described the Certified Unified Program Agency (CUPA) that enables a facility under one permit to be regulated for hazardous waste, storage tanks, hazardous material plans and accidental releases. Preventative measures are the priority. There are eight CUPAs in L.A. County that work closely with the refineries and local cities. Chairman Parker questioned why the refinery did not have a permit for hazardous waste material storage as mentioned earlier and Chief Jones clarified that his agency issues CUPA permits, in which U. S. EPA does not get involved. Dr. Burke complimented the work of fire departments for keeping their communities safe.

PBF Refinery

The seventh panel included representatives from the TRC refinery: Western Region President Jeffrey Dill, Refinery Manager Steven Steach, United Steelworkers Secretary/Treasurer David Campbell, and Building and Construction Trades Council Representative Chris Hannon. Mr. Dill said he recognized that refinery performance has to improve for worker and community safety, and TRC is working as expeditiously as possible to correct issues such as electrical reliability power. The EPA findings are preliminary and did not include information that was not available during the time of the inspections which he believes will clear up some of the findings. The unpermitted hazardous waste pit is actually a holding basin before pumping into a permanent tank, so any permit requirements will be cleared up with EPA in their responses. He stated that he is not aware of any other US conversions from HF to a different type of

alkylation but welcomes any information regarding conversions if available. Refineries in the Bay Area using sulfuric acid as the catalyst started their operations using sulfuric acid and did not convert from HF. Conversion by January 1, 2020 is just not possible when considering the need to engineer, design, procure, and permit a conversion. TRC did not agree with the equipment replacement, cost, and timeline assumptions in the Norton Engineering report. He said they have engaged with the unions and are the only refinery in California to sign an agreement with the building trades. If any worker feels unsafe or uncertain of a task, the job can be stopped to reassess. Mr. Steach discussed how seriously the workers implement safety measures at the refinery and compared the low injury frequencies (2015) to other workers in different industries such as police, fire and hospitals. He discussed the operating events that have occurred since acquiring the refinery from ExxonMobil such as flaring, fires and electrical shutdowns. Mr. Campbell encouraged emphasizing prevention over control. He also believed the cost to convert to sulfuric acid would be five times more than presented in the Norton study. Mr. Hannon emphasized the high level of training with the workforce, how commonly HF is used in a variety of products, and how communities are adversely impacted if industry leaves the area and jobs are lost. Mr. Dill outlined the TRC plans to further improve the safety of MHF by providing a direct signal from the sensors to the Torrance Fire Department, changing the water spray system, hiring a risk evaluation expert, and conducting training for the employees. He stressed that TRC provides a positive economic benefit to the region and community engagement.

Dr. Parker asked about backup electrical supply. Mr. Dill described the backup battery power available for critical safety devices and there is also 40 megawatts (MW) of generation capacity that can assist in keeping critical equipment operating. He stated that they are working with Southern California Edison (SCE) to address “power dips” before being forced to flare, and hooking up directly to the SCE system to ensure electrical reliability. If there is a loss of power, the backup supply could assist with some units in a few seconds but would need to begin to depressurize and flare since it is unable to power all equipment. Councilmember Mitchell asked about the timeline to hook up to the SCE system and TRC is currently in the permitting stage so he estimated another 2 -2½ years before operation. She also asked about how the refinery handles the maintenance of the equipment. Mr. Dill noted that TRC acquired the refinery in July and the EPA inspection was in November, so they are beginning to prioritize the changes needed to be made that will be led by a new maintenance manager. Mr. Steach viewed their maintenance approach as half preventative and half reactive, but their budget for maintenance is similar to other refineries. The inspection frequency varies depending on the equipment. Councilmember Mitchell was concerned that the equipment integrity could have been a cause for the recent fires. Mr. Steach responded that the bearing failure is rare, could not have been predicted, and there was no pre-warning. Mr. Dill stated they were reviewing all pumps to ensure no failure. Dr. Lyou wanted to know when TRC planned to respond to U.S. EPA’s findings. Mr. Dill stated that they planned to respond quickly and some of the issues have already been resolved.

Dr. Lyou encouraged TRC to consider an alternative to HF, MHF and sulfuric acid, and to be innovative. Mr. Dill echoed an earlier comment that the “how and when” is what needs to be answered and plans to meet with Honeywell regarding the new technology, but asked that it be recognized that TRC is not a research and development company. Dr. Lyou would like to see any confidential research information be released so it can be determined if it is indeed viable for the TRC refinery. He asked about the recently repaired backup 40 MW turbine that is partly back in operation. Dr. Burke suggested reaching out to Honeywell to garner more information about the new technology. Dr. Parker concluded by noting the importance of a backup power system for a refinery.

Community Perspective

The eighth panel provided the community perspective from Dr. Sally Hayati, President of the Torrance Refinery Action Alliance (TRAA), Catherine Leys and Maureen Mauk, co-founders of Families Lobbying Against Refinery Exposures (FLARE). Dr. Hayati acknowledged that refineries pose inherent dangers and accidents do happen. She raised concern with the Consent Decree Safety Advisor who claimed the additive in the MHF caused the unit to fail, thus approving a reformulation of the ratio of additive to HF from 50-50 (in 1990) to 10-90 (in 1998), or 98 percent of HF by molecule count. An independent study conducted in Nevada found 100 percent of the release becomes airborne in a ground-hugging HF aerosol cloud when equipment temperatures reach 95 degrees Fahrenheit at 100 psi. The distance of the plume is dependent on the amount of the HF released and direction is wind dependent. She provided local scenarios based on different amounts of HF released and the percent of safety mechanism effectiveness. Ms. Leys provided a detailed overview of recent events at the Refinery and Ms. Mauk opined that sulfuric acid should be used and is willing to accept those consequences. She supports more air quality monitoring data and showed a video of various flare events at the refinery.

Public Comment

The following 25 speakers provided public comment on April 1, 2017. The speakers have been grouped into general categories of similar comments and in the order in which they spoke.

NADIA LEVIN
CLIFF HEISE
BILL REYNOLDS
CRAIG KESSLER
ANTONIE CHURG
ELAINE WILSON
GERGHUN ENG
CONNIE SULLIVAN
GERRY O'CONNOR
ULRICH BLAETTER
STEVEN GOLDSMITH
ROBBIE GLEICHMAN

The above Torrance/South Bay residents and scientists expressed concern with potential HF releases and the impact to nearby communities, support a ban of HF/MHF, and question the effectiveness of modified HF as a mitigation method to prevent the formation of a dangerous vapor cloud. Mr. Heise asserted that HF acid is much more dangerous than sulfuric acid and the concern is heightened due to the high quantity of HF stored on-site, which increases potential consequences. Mr. Reynolds supported a ban on MHF but wants to retain the jobs. Mr. Kessler agreed with Dr. Burke who is interested in knowing whether modifying HF actually works or not, and that substantial evidence is not proof. Ms. Wilson provided documents showing outside investment in the refinery, so he did not believe the statements that enforcing a ban will force the refinery to shut down. Mr. Eng suggested additional action such as regulating hydrogen cyanide (HCN), requiring a fire extinguishing system and adopting a rule similar to one in the Bay Area. Ms. Sullivan said she had learned that safer alternatives to HF are available and those alternatives reduce insurance premiums. Mr. O'Connor and Mr. Blaetter were concerned about the uncertainty as to what to do if there is an accidental release. In addition, Mr. Blaetter highlighted that software glitches, power outages, and fires are taking place under typical circumstances, but no one is addressing consequences from earthquakes, terrorist attacks, or cyber-attacks. Mr. Gleichman was concerned that the Torrance Fire Chief is relying on the proprietary information that cannot be peer reviewed or replicated as evidence that MHF is effective.

MICHAEL PATTERSON
JOAQUIN SANTOS
STEVEN MACALLER
DANIEL BANAS
ANDREW MAYORGA
ALEX LAFARGA
LYDIA GRINN
STEVEN MENDOZA
BRITNEY ROMAN
JULIE BOFINGER
JOEL THURWACHTER
VALERIE TSE
JULIAN JIMENEZ

The above union representatives and refinery workers expressed support for the refinery because they believe TRC makes safety a priority, they have been proactive in correcting what was wrong with the refinery, and there is trust amongst the co-workers to do the right thing when incidents occur. They also noted there are effective safety mechanisms (e.g., barriers, water cannons) in place at the refinery to mitigate the risk. The speakers did not support an HF ban, want to keep the refinery in business, and retain good jobs. They also requested that the normal course of action in the upcoming SCAQMD rulemaking process be followed. Mr. MacAller, Ms. Grinn, and Ms. Roman highlighted the philanthropic contributions by TRC. Mr. LaFarga added a ban would require planning and execution and this process seems like execution without a plan.

The meeting was adjourned at approximately 4:15 p.m, but was continued to the following Saturday to accommodate the remaining public speakers that had submitted a Request to Speak card. In addition to verbal comments, the numerous emails received between April 1 and April 8 were provided to the Committee members.

APRIL 8, 2017

The continued meeting of the Refinery Committee reconvened at 9 a.m. on April 8, 2017 at the Torrance City Council Chambers to conduct an investigative hearing into matters concerning the Torrance Refinery.

Attendance

Dr. Clark E. Parker, Sr., and Dr. Joseph Lyou were in attendance; however, Dr. Lyou was only able to stay until 10:15 a.m. Councilmember Judith Mitchell and Mayor Pro Tem Benoit were absent due to conflicts with their schedule. Dr. William Burke was named Ad Hoc member of the committee for purposes of this meeting.

Dr. Parker provided introductory comments before Mr. Nastri summarized the April 1, 2017 meeting.

Continuation of Public Comment Period

The public testimony reopened and the following 33 speakers provided comments. The speakers have been grouped into general categories of similar comments and in the order in which they spoke.

ALAN HARRIS
MITCH LAMBERT
DAVID BARTH
AMY FORREST
PAM COMBAR
CANEY ARNOLD
PETER BURGIS
HARRY STUVER
AL SATLER
CINDY ANNULI
CHARLES ORLOWSKI
LAURA RUBIO
BRICE BARADEL
DAVID HANNUM
WAI LIM
JOAN JONES
MARYANN MC FARLAND
CHRISTIE O'ROURKE
DEREK LAZZARO
SOPHIE DREIFUSS
ADELE GLEICHMAN
MELANIE COHEN
AMY JOSEFEK

The above Torrance/South Bay residents raised concerns regarding the consequences of a potential release of HF in a large populated community, the lack of monitoring and availability of data, as well as the lack of adequate safety protocols (e.g., alert system, notification process, disaster drills). The speakers support a safer alternative to HF usage. Ms. Forrest and Mr. Burgis were concerned about the uncertainty as to what to do in the event there is an accidental release. Ms. Combar and Ms. Josefek believe HF risk can be mitigated without the loss of jobs. Mr. Satler noted HF that can penetrate bone and is much more dangerous than sulfuric acid. Ms. Jones was concerned about the large quantity of HF on-site and Ms. O'Rourke questioned how to quickly seal off a home and shelter in place during an HF release. Mr. Lazzaro listed a number of local polluting companies to make the point that regulatory agencies need to force companies

to be held accountable for their pollution. Ms. Dreifuss requested to make material online easier to find, and for Norton Engineering to update the study to include the UK and Chevron refineries that have converted from HF to an alternative technology.

TIM SHEPPARD
DWIGHT SCOTT
TOM MORTON
JERRY ELLIOTT
JOHN HANNA
RAY LAWSON
JORGE QUINTERO
WILLIAM BAXTER
FRANK ZAMBRANO
AL GARCIA

The above union members, refinery workers, consultants, and trade representative support the TRC refinery, want to protect the workers' jobs, and provide the time to fix any problems. Mr. Sheppard regarded the ionic liquid technology as very new and that it needs more time for development. Mr. Hanna was concerned about the impact to the economy, jobs, and the gasoline market if HF is banned and the refinery was unable to operate. He encouraged the SCAQMD to work with the refinery on a long-term solution. Mr. Baxter and Mr. Zambrano highlighted the refinery's emphasis on worker safety training and to let the rulemaking process take place. Mr. Garcia noted that HF has been used at Torrance refinery since 1966 and there has been no HF release past the fence-line.

Dr. Parker reminded the audience that a solution to the issues raised will take some time to resolve, recognizing that there is a process and legal requirements that need to be met. He emphasized the need to do it right or the process will take even longer if certain obligations are not met appropriately.

The meeting was adjourned at approximately 11:30 a.m.

Attachments

All the presentations have been posted online and can be accessed from the following webpage: <http://www.aqmd.gov/home/regulations/compliance/torrance/hearing-on-torrance-refining-co>

[↑ Back to Agenda](#)

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 22

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee met Friday, April 21, 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, Sheila Kuehl, and Janice Rutherford. Committee Member Shawn Nelson participated via videoconference.

INFORMATIONAL ITEMS

1. Draft Assessment of tertiary-Butyl Acetate (tBAC) White Paper

Dr. Philip Fine, Deputy Executive Officer/Planning, Rule Development & Area Sources, presented a summary of staff's draft assessment and stakeholder comments since the release of the revised Draft tBAC Assessment White Paper. The following three options were presented to the committee as potential pathways forward:

Option 1: Leave the limited tBAC exemption in Rules 1113 and 1151 and monitor sales;

Option 2: Remove limited tBAC exemptions in these rules; and

Option 3: Remove limited tBAC exemptions and prohibit its use in Rules 1113 and 1151.

Supervisor Kuehl asked what would trigger the precautionary approach, how expeditiously the Office of Environmental Health Hazard Assessment (OEHHA) assesses toxic compounds, and if SCAQMD could rely on other entities. Dr. Fine stated that the SCAQMD traditionally relies on OEHHA but we could broaden our approach as their process can be long. He also stated that OEHHA's process is actually faster than other agencies. Supervisor Kuehl also expressed concern that not removing the exemption expeditiously could pose a health risk to workers. Dr. Fine stated that the modeling showed the risk to off-site workers was below our thresholds but that we did not have a method to accurately assess on-site worker exposure. Supervisor Kuehl expressed an interest in developing a method to assess on-site exposure and Dr. Fine explained that going forward with the precautionary approach, staff might not have a need for such an analysis. For the current exemptions, staff would have to evaluate the impacts of replacing tBAC with other solvents.

Councilmember Mitchell inquired about the types of coatings that are currently formulated with tBAC. Dr. Fine explained that it is only a limited exemption for auto body coatings and industrial maintenance coatings.

Florence Gharibian, chair of the Del Amo Action Committee, commented on SCAQMD's 2014 Toxic Risk Symposium and best practices used by industry to mitigate toxic compound exposure. She expressed support for the use of the precautionary approach in addressing toxic compounds and supports option two for removing the current tBAC exemptions.

Rhett Cash of the American Coatings Association (ACA) commented that the SCAQMD should wait for the Scientific Review Panel (SRP) to finalize the Cancer Potency Factor (CPF) before taking action. He also stated that the ACA opposes option two and supports option one. He stated that the volumes cited in the paper are too low and felt that tBAC is used in more coatings than represented. He further stated that industry would need at least three years for any reformulation efforts and requested that the SCAQMD include an option four to expand the tBAC exemption if the SRP determines that tBAC is not a carcinogen.

Katy Wolf of the Institute of Research and Technical Assistance stated that she supported option two but recommended going further. She stated there was no reason to wait as the SRP indicated they agree with OEHHA's findings. She stated that the manufacturers should not be allowed longer than one year for reformulation and that plenty of alternative coatings are already available. The precautionary principle should not promote use of toxic chemicals or any chemical with no toxic information. The SCAQMD should add tBAC to Rule 102 as a Group II exempt compound and include a provision to prohibit Group II exempt compounds in all Regulation XI rules. She stated that IM coatings are used more broadly than staff

indicated; that they are used on floors, in schools, and at theme parks. Wayne Nastri, Executive Officer, mentioned that staff checked with Disneyland and found they do not use tBac-containing coatings as a matter of policy.

Curt Coleman, Executive Director of the Southern California Air Quality Alliance, commented that OEHHA was not the authority on toxicity. He stated there are two entities that are the authority, the SRP and the Carcinogen Identification Committee. He also stated that the rat study conducted on tBac indicated carcinogenicity through a mechanism that is not applicable to humans.

Kyle Frakes of Tnemec stated that the draft cancer potency factor should not be used to develop policy or be cited in a paper. He opposed option two and supports option one. He felt the quantities reported in the draft paper were underestimated. He also would like to see an option four to further exempt tBac if the SRP determines that tBac is not a carcinogen.

Dr. Lyou asked where coatings containing tBac were used. Staff indicated that the specific sources or facilities are not known but the overall inventory is known. He expressed concern that the usage might be higher than estimated. Dr. Fine stated the concern with tBac is long-term exposure from repeated application, which is less of an issue for these long-lasting industrial coatings. Dr. Lyou was concerned with the uncertainty and expressed the difficulty in providing guidance to staff until there is more certainty, but felt that option three did not make sense for tBac unless we treated all similar compounds in the same manner. He requested that staff report back to the Committee once SRP finalizes their assessment or by the end of summer if they have not concluded the assessment. He also expressed concern for the timeframe staff was considering for amending Rule 1113. Dr. Fine stated that it is not uncommon to amend Rule 1113 every couple of years, but that we could pursue an amendment just to address tBac. Mr. Nastri committed to reaching out to OEHHA.

Supervisor Rutherford stated that there seems to be high confidence by staff that OEHHA regards tBac as a carcinogen. Mr. Nastri committed to revising the report based on the final findings of the SRP.

Councilmember Mitchell stated that there was not enough information available at this time to choose an option and recommended waiting for the SRP to finalize the CPF to decide what direction to pursue. If the toxicity remains high, options two or three should be considered; if it is low, option one might be appropriate. She requested that staff return to the Stationary Source Committee by the end of summer, whether or not the SRP finalizes their assessment. She also requested a summary from staff on the option of adding tBac to Rule 102. Supervisor Kuehl supported option two but also agrees to wait for the final CPF from the SRP.

2. Nonattainment New Source Review Compliance Demonstration for 2008 Ozone Standard

Due to time constraints, this item was moved to next month's meeting.

3. Proposed Amendments to Rule 1147 – NOx Reductions from Miscellaneous Sources

Tracy Goss, Planning and Rules Manager, provided a presentation on proposed amendments to Rule 1147. In general, the proposed amendments incorporate the recommendations from the Final Rule 1147 Technology Assessment and the proposed amendments represent an overall relaxation of Rule 1147. In addition, since the release of the preliminary draft report in January 2017, staff is proposing additional changes that will benefit businesses, including more emission testing options, an option to comply with emission limits through a manufacturer's guarantee, and an exemption for low-emission units that are moved when a facility is relocated.

In response to a question from Gerald Bonetto of the Printing Industries Association, Inc, of Southern California, staff clarified that units emitting less than one pound per day of NOx emissions are not subject to in-use NOx emission limits, and NOx emission limits must be met only if the burner or unit is replaced (no requirements for units that are relocated).

Charles Aiello of MidCo International, the company that provides the majority of standard and low-NOx burners to manufacturers of auto body spray booth heating units, presented a summary of the companies' SCAQMD-certified products and what they are doing to help booth manufacturers resolve issues that some customers have with the low-NOx heating units. Their new-low-NOx burner will be certified by the SCAQMD next month, will be available from 14 manufacturers, and covers 46 models of spray booths and heaters. Mr. Aiello also stated that control systems are available to better control booth heating systems. These controls will prevent the unit from going over the set temperature. He also stated standard burners for booth heaters have NOx emissions of about 90 ppm and the low-NOx burners are at about 20 ppm.

Brian Ebersson and Gerry Enders, representing an auto body repair business, stated that the low-NOx heaters they purchased for their spray booths do not work well during spraying of coatings. With their current low-NOx heating system, the heater exceeds the temperature set point. They appreciate the addition of a relocation exemption but do not think the rule should require them to comply with limits when there is only one supplier of low-NOx burner technology. Dr. Lyou requested that staff investigate the issue further. Rob LaCerte, a representative of a major paint supplier for auto body repair stated that other customers are also concerned that their low-NOx heaters cause fluctuations in temperature in the booth during spraying. Both the auto body and paint representatives would like to see additional suppliers

of low-NOx burners enter the market. Mr. Aiello stated that MidCo provides most of the standard burners used by spray booth manufacturers and that other burner manufacturers have chosen not to develop low-NOx burners. Susan Nakamura, Assistant Deputy Executive Officer/Planning, Rule Development & Area Sources, noted that the proposed amendment will allow manufacturers a third way to demonstrate compliance with the emission limit through a manufacturer's performance guarantee.

Jim Waggoner of IPE, Inc., a manufacturer of heated tanks and spray washers, requested clarification on which equipment would be subject to a requirement to comply with rule emission limits at 30 years of age. Mr. Goss responded that the types of equipment his company provides are not subject to meeting the rule emission limit at 30 years of age. The representative stated that this equipment can last 40 years and should not have to be retrofitted. Mr. Goss responded that the proposed rule amendment does not require existing equipment of this type to be retrofitted with lower emission burners because of the issues Mr. Waggoner has raised.

Mr. Bill LaMarr of the California Small Business Alliance read a letter from Anthony Endres of Furnace Dynamics, Inc. requesting that SCAQMD delay the rule adoption schedule and that the July 1, 2017 compliance date be delayed. Mr. LaMarr also requested a delay and stated that more burners should be available for spray booth applications. Dr. Fine stated that the SCAQMD must amend the rule in order to change the July 1, 2017 deadline for many of these equipment. Wayne Natri, Executive Officer, stated that staff will provide information to the Board at the set hearing regarding technical and other issues related to spray booth heating systems. Supervisor Nelson expressed concern about the impacts of the rule on small businesses and that these issues should be addressed. The Committee members asked that staff do a briefing on the spray booth issue for the Board. Staff agreed to note this on the agenda.

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

Due to time constraints, the staff presentation was waived and public comments were opened. Rita Loof, Director of Environmental Affairs/Radtech International, commented that their proposal for exemption of UV/EB/LED technologies is good for the environment due to incentives to convert to lower VOC technologies and seeks to remove regulatory barriers. Ms. Loof stated that Radtech has made many concessions and referred to a handout which she provided to the Board Members. Ms. Loof commented that monthly usage provisions for UV/EB that specify (non-solvent based and non-waterborne) materials are not technology neutral, since

plastisol inks do not have any restrictions. She stated that Rule 219 is patchwork and not technology neutral. Staff explained that both usage categories are based on the same VOC limit. In response to the single-page no-fee form staff created in response to an earlier comment, Ms. Loof commented that the new form will result in confusion and uncertainty due to many operators' lack of regulatory expertise, also stating that it was not equitable as it only applies to the coating and printing industry. Due to the lack of time, staff was not able to respond to all the comments, but disagreed as to the complexity of the form and its impact on the industry.

Mr. Bonetto stated that they represent various and numerous printing operations and stated that the reporting form is unnecessary recordkeeping and another burden. Dr. Fine stated that there is no new recordkeeping requirement and it is only an optional half-page form to be submitted in place of a two-page registration form with an annual fee.

Susan Stark of Tesoro asked to clarify as to whether staff would, after working with U.S. EPA and CARB, bring back Rule 219 to address vapor socks for storage tanks, or if it was going to be addressed via Rule 1178 only. Staff said the intent was to address that issue under Rule 1178 and that provisions for simpler permit processing could be developed, but at this time a permit is still required. Ms. Stark stated that U.S. EPA considers it a comparable technology, and that replacement should be expedited. Mr. Nastri said there is no warranty by the manufacturer. Dr. Fine commented that since the last Stationary Source Committee meeting, there were a number of issues that have been resolved and that these are the only two remaining issues.

Supervisor Rutherford asked if U.S. EPA had weighed in on the 50 gram/liter issues and staff responded that they have not. Ms. Nakamura said the gram per liter exemption is an existing provision. Supervisor Rutherford further stated that other agencies may have a different view. Mr. Goss stated that some agencies require permits, but no recordkeeping. Supervisor Rutherford asked if it is not that complicated, why keep these requirements? Dr. Fine said that without the report, facilities would be off the radar and that there would be no way to track whether they are eligible for these exemptions. Supervisor Kuehl stated it would be better to exempt the small stuff and focus on other larger issues. Dr. Laki Tisopoulos, Deputy Executive Officer/Engineering & Permitting, noted that any source not exempt with emissions over one pound per day requires BACT, but that a one ton per year exemption is equivalent to 5 pounds per day.

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 May 19, 2017. The meeting was adjourned at 12:10 p.m.

Attachments

Attendance Roster

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

April 21, 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
Supervisor Janice Rutherford SCAQMD Governing Board
Supervisor Shawn Nelson (videoconference) ... SCAQMD Governing Board
Board Consultant David Czamanske..... SCAQMD Governing Board (Cacciotti)
Board Consultant Ron Ketcham..... SCAQMD Governing Board (McCallon)
Board Consultant Andrew Silva..... SCAQMD Governing Board (Rutherford)
Wayne Nastri SCAQMD staff
Barbara Baird SCAQMD staff
Bill Wong SCAQMD staff
Philip Fine SCAQMD staff
Laki Tisopulos..... SCAQMD staff
Jill Whynot SCAQMD staff
Amir Dejbakhsh SCAQMD staff
Susan Nakamura..... SCAQMD staff
Bill LaMarr California Small Business Alliance
Gerry Bonetto Printing Industries Assn Inc. of Southern Calif.
Rita Loof..... RadTech
Kyle Frakes..... Tnemec Co., Inc.
Katy Wolf Institute of Research and Technical Assistance
Rhett Cash American Coatings Association
Ida Lin PPG - PMC
Daniel McGivney SoCalGas
Charles Aiello..... Midco International
Susan Stark Tesoro
Kelly Willmott..... AMVAC

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 23

REPORT: Technology Committee

SYNOPSIS: The Technology Committee met on April 21, 2017. Major topics included Technology Advancement items reflected in the regular Board Agenda for the May Board meeting. A summary of these topics with the Committee's comments is provided. The next Technology Committee meeting will be held on May 19, 2017.

RECOMMENDED ACTION:

Receive and file.

Sheila Kuehl, Vice-Chair
Technology Committee

MMM:psc

Attendance: Supervisor Sheila Kuehl, Supervisor Janice Rutherford, Mayor Pro Tem Larry McCallon, Councilmember Judith Mitchell and Councilmember Dwight Robinson were in attendance at SCAQMD headquarters. Councilmember Joe Buscaino was absent due to a conflict with his schedule.

MAY BOARD AGENDA ITEMS

1. Approve Awards for Electric School Buses

At its December 2, 2016 meeting, the Board issued a Program Announcement to solicit applications for electric school buses. This action is to approve awards for 33 electric school buses and associated charging infrastructure in an amount not to exceed \$8,844,000 from the Carl Moyer Program AB 923 Fund (80).

Supervisor Rutherford asked about the price of a natural gas school bus and the price difference between CNG and electric school buses. Staff responded that a CNG bus costs about \$180,000 and an electric school bus costs about \$368,000. The price differential between a CNG bus and electric school bus is large; however, this program is intended to allow schools to try the cleaner although more expensive

electric technology as well as encourage more manufacturers to enter the market. Supervisor Rutherford also asked if we anticipate the school districts having difficulty in getting HVIP funds. Staff explained this is the first time HVIP funds will be leveraged with Moyer funds, and SCAQMD worked closely with CARB to coordinate the timing of the two programs to enable school districts to apply for the HVIP funds first. The school districts will be asked to apply for HVIP as soon as the SCAQMD Board approves the awards. The SCAQMD will not enter into contracts with the school districts until the HVIP approval process is completed.

Moved by Mitchell; seconded by Robinson; unanimously approved.

Ayes: Kuehl, Mitchell, Robinson and Rutherford
Noes: None
Absent: None

2. Execute Contract to Develop High Efficiency Near-Zero Emission Natural Gas Engines for Heavy-Duty Vehicles

In December 2016, the CEC released a competitive solicitation to fund development of advanced natural gas engine technology capable of reducing the efficiency gap between heavy-duty natural gas engines and equivalent diesel engines. The CEC received five responses to the solicitation and recommended three grant awards, one of which was to North American Repower, LLC (NAR). Staff proposes to cost-share this project, along with the Southern California Gas Company who will be contracting directly with NAR. This action is to execute a contract with NAR to develop a high efficiency near-zero emission heavy-duty natural gas engine in an amount not to exceed \$200,000 from the Clean Fuels Fund (31).

Councilmember Mitchell asked about the other technologies, such as the 12L CNG engine, that already exist. Staff explained the importance of additional OEMs and broader product offerings to increase market competition, and noted that the subject development project would convert a Detroit Diesel engine with hardware and software changes to enhance efficiency and lower emissions.

Supervisor Rutherford indicated that San Bernardino County fleets using CNG engines often are unable to meet all duty cycle requirements, considering limited CNG infrastructure in more-remote areas within the county.

Supervisor Kuehl asked about potential impacts of using renewable natural gas (RNG) in these engines; staff explained that RNG has the same molecular structure as fossil fuel based natural gas and thus should not have any impacts. Based on Councilmember Robinson's inquiry about the timeline for commercialization of this advanced CNG engine, staff anticipated a four-year commercialization period.

Councilmember Robinson also supported the need for more CNG engines in the market.

Moved by Mitchell; seconded by Kuehl; unanimously approved.

Ayes: Kuehl, Mitchell, Robinson and Rutherford

Noes: None

Absent: None

Mayor Pro Tem McCallon joined the meeting at 12:33 p.m.

3. Execute Contract to Educate Communities in Use and Operation of AQ Sensors

On November 4, 2016, the Board approved the execution of four contracts from Science & Technology Advancement's FY 2016-17 Budget to participate in U.S. EPA's Science to Achieve Results (STAR) Grant project. Three contractors have already executed agreements. This action is to execute a contract with Comite Civico Del Valle, Inc., as the fourth contractor in an amount not to exceed \$82,500 from Science & Technology Advancement's FY 2016-17 and/or 2017-18 Budget to educate community members in the use and operation of air quality sensors.

Councilmember Mitchell asked for clarification on the locations of the three communities that will work with Comite Civico del Valle on the U.S. EPA STAR Grant study. Staff replied that these three communities will be located in southern, northern and central California and that this project will also involve communities in northern California. Councilmember Mitchell also wanted clarification on what these low-cost sensors detect. Staff clarified that SCAQMD will work with these communities to identify the correct sensors for their specific needs.

Mayor Pro Tem McCallon requested information about the "IVAN Air Monitoring" network. Staff replied that the network tracks data from monitors deployed in Imperial County.

Supervisor Kuehl asked for additional information regarding the goals and objectives of our STAR grant. Staff clarified that this research grant from U.S. EPA is a prestigious award as EPA received 100 applications for only six awards. SCAQMD is the first regulatory agency to receive this award. The scope of our proposal is broad and involves collaboration with other CAPCOA agencies.

Supervisor Kuehl asked what happens to the data that is generated. Staff replied that the main objective of this grant is to develop educational material and educate citizen scientists on how to collect meaningful data and correctly analyze and interpret this data. Staff also added that, although these sensors are not highly accurate, even lesser-quality readings, when compiled in high volumes, can provide

good information on the spatial and temporal distribution of the pollutant(s) of interest. In addition, they can also complement regulatory monitors. The development of the sensor network can provide communities with an alert system for emergency situations.

Supervisor Kuehl commented on the possibility of having a mobile app for cell phones that may help measure and track air pollution. This may change how collecting and reporting air monitoring data is performed. Staff reported that this technology already exists, and a university in the Netherlands has developed a low-cost add-on for cell phones to take pictures of the clean sky and estimate the PM concentration throughout a wide geographical area.

Moved by Robinson; seconded by Mitchell; unanimously approved.

Ayes: Kuehl, McCallon, Mitchell, Robinson and Rutherford

Noes: None

Absent: None

4. Other Business

There was no other business.

5. Public Comments

There were no public comments.

Next Meeting: May 19, 2017

Attachment

Attendance

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
TECHNOLOGY COMMITTEE MEETING
Attachment – Attendance**

Supervisor Sheila Kuehl.....	SCAQMD Governing Board
Mayor Pro Tem Larry McCallon	SCAQMD Governing Board
Councilmember Judith Mitchell.....	SCAQMD Governing Board
Councilmember Dwight Robinson.....	SCAQMD Governing Board
Supervisor Janice Rutherford	SCAQMD Governing Board
Mark Abramowitz	Board Consultant (Lyou)
David Czamanske.....	Board Consultant (Cacciotti)
Ron Ketcham.....	Board Consultant (McCallon)
Diane Moss.....	Board Consultant (Kuehl)
Marisa Perez	Board Consultant (Mitchell)
Andy Silva.....	Board Consultant (Rutherford)
Mark Taylor.....	Board Consultant (Rutherford)
Wayne Nastri.....	SCAQMD Staff
Jill Whynot	SCAQMD Staff
Barbara Baird	SCAQMD Staff
Matt Miyasato.....	SCAQMD Staff
Fred Minassian	SCAQMD Staff
Jason Low.....	SCAQMD Staff
Naveen Berry.....	SCAQMD Staff
Vicki White	SCAQMD Staff
Andrea Polidori	SCAQMD Staff
Dean Saito	SCAQMD Staff
Patrick Chandler.....	SCAQMD Staff
Joseph Lopat.....	SCAQMD Staff
Drue Hargis	SCAQMD Staff
Todd Warden.....	SCAQMD Staff
Gregory Rowley	SCAQMD Staff
Penny Shaw Cedillo	SCAQMD Staff
Donna Vernon	SCAQMD Staff
Cynthia Snyder	SCAQMD Staff
Jon Van Bogart.....	First Priority Greenfleet
Timothy Lippman.....	Los Angeles County
Katy Young	Los Angeles County
Curtis Coleman.....	So Cal Air Quality Alliance
Daniel McGivney	SoCalGas
Susan Stark.....	Tesoro

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BOARD MEETING DATE: May 5, 2017

AGENDA NO. 24

REPORT: California Air Resources Board Monthly Meeting

SYNOPSIS: The California Air Resources Board met on April 27, 2017, in Sacramento, CA. The following is a summary of this meeting.

RECOMMENDED ACTION:

Receive and File.

Judith Mitchell, Member
SCAQMD Governing Board

dg

The Air Resources Board's (ARB or Board) April meeting was held on April 27, 2017 in Sacramento at the California Environmental Protection Agency Headquarters Building. Key items presented are summarized below.

Consent Items

1. Public Meeting to Consider the Coachella Valley Attainment Ozone Contingency Measure

The Board adopted the attainment contingency measure reductions for the Coachella Valley Ozone Plan. The South Coast Air Quality Management District adopted the Coachella Valley 75 ppb 8-hour ozone plan on March 3, 2017. This supplement provides contingency emission reductions to fulfill the State Implementation Plan requirements for attainment contingency in the Coachella Valley.

2. Public Meeting to Consider Updates to the San Joaquin Valley PM10 Maintenance Plan

The Board adopted updates to the San Joaquin Valley PM10 Maintenance Plan (Update) to address the PM10 Maintenance Plan's contingency provisions should exceedances of the PM10

standard occur. In the Update, ARB staff assessed available information for exceedances that occurred in 2013 and 2014, and determined whether the exceedances qualified as exceptional events or were caused by man-made sources. The Air Resources Board will submit the Update to the United States Environmental Protection Agency as a revision to California's State Implementation Plan. Following this submittal, the San Joaquin Valley District must prepare the necessary documentation for exceptional events as well as identify additional measures to reduce emissions contributing to the remaining exceedances.

Discussion Items

1. Public Meeting to Hear a Research Update on Air Pollution and the Brain

The Board heard an update on the harmful effects of air pollution on the brain. While air pollution-related cardiovascular and respiratory health effects are well documented, less is known about impacts on the brain from air pollution. ARB staff presented recent research demonstrating that air pollutants can enter the brain of animals and lead to inflammation in the brain and cognitive impairment. Other studies looking at the effect of high PM_{2.5} levels on populations provide emerging evidence that PM exposure is associated with greater incidence of cognitive decline and dementia.

2. Public Meeting to Consider the ARB Research Plan for Fiscal Year 2017-2018

The Board approved the 2017-2018 Research Plan (Plan). The Plan reflects a concerted effort to identify the Board's highest priority research needs. With a budget of 4.2 million dollars, the Plan will fund 20 new research projects. The Plan focuses on six areas, including: exposure and health; exposure in Environmental Justice communities; emissions from mobile sources; health and emissions in sustainable communities; climate; and criteria pollutants studies.

3. Public Meeting to Consider Proposed Revisions to the Carl Moyer Memorial Air Quality Standards Attainment Program Guidelines

The Board approved the Carl Moyer Program (Program) 2017 Guidelines (Guidelines). The Program has been successful reducing emissions by providing cost effective emissions reductions through financial incentives to replace or retrofit older, highly polluting engines. The updated Guidelines implement changes directed by Senate Bill 513 and redesign the Program to meet California's need to transition to the very low and zero-emission technologies. The deployment of these technologies is critical to the success of the State Implementation Plan and the Sustainable Freight Strategy. The update adjusts cost-effectiveness limits, increases opportunities to fund infrastructure projects, and allows for additional co-funding opportunities.

SCAQMD Staff Comments/Testimony: Mr. Fred Minassian stated that SCAQMD staff supports the adoption of the revisions to the Guidelines and thanked ARB staff for working closely with SCAQMD staff during this process. Mr. Minassian also stated SCAQMD's request to raise the cap for the re-power of on-road trucks to 0.02 gram NOx engines from \$30,000 to \$40,000. ARB staff agreed with the request and stated that the proper changes have been made.

4. Public Meeting to Hear Proposed Updates on Truck Field Enforcement Activities and New Screening Technologies for High Emitting Vehicles

The Board heard an update on the development of the Portable Emissions Acquisition System. This system pairs emissions data of a passing truck with license plate data using an Automatic License Plate Reader (ALPR). The Portable Emissions Acquisition System will provide ARB with tools to collect on-road data and serve as an initial screening tool for enforcement actions. Staff also discussed the ALPR privacy and usage policy.

Attachment

CARB April 27, 2017 Meeting Agenda

PUBLIC MEETING AGENDA

April 27, 2017

[Webcast](#)

LOCATION:

California Environmental Protection Agency
Air Resources Board
Byron Sher Auditorium, 2nd Floor
1001 I Street
Sacramento, California 95814

This facility is accessible by public transit. For transit information, call (916) 321-BUSS, website: <http://www.sacrt.com>
(This facility is accessible to persons with disabilities.)

TO SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO: <http://www.arb.ca.gov/lispub/comm/bclist.php>

**Thursday
April 27, 2017
9:00 a.m.**

CONSENT CALENDAR:

The following items on the consent calendar will be presented to the Board immediately after the start of the public meeting, unless removed from the consent calendar either upon a Board member's request or if someone in the audience wishes to speak on them.

Consent Item #

17-4-1: Public Meeting to Consider the Coachella Valley Attainment Ozone Contingency Measure

The Board will consider the adoption of supplemental attainment contingency measure reductions for the Coachella Valley Ozone Plan. The South Coast Air Quality Management District adopted the Coachella Valley 75 ppb 8-hour ozone plan on March 3, 2017. This supplement provides additional contingency emission reductions to fulfill the State Implementation Plan requirements for attainment contingency in the Coachella Valley.

[More Information](#)

[Proposed Resolution](#)

17-4-2: Public Meeting to Consider Updates to the San Joaquin Valley PM10 Maintenance Plan

The Board will consider adopting updates to the San Joaquin Valley PM10 Maintenance Plan. The updates address a requirement to assess PM10 air quality data during the maintenance period. If adopted, the Air Resources Board will submit the Updates to the San Joaquin Valley PM10 Maintenance Plan to the United States Environmental Protection Agency as a revision to California's State Implementation Plan.

[More Information](#)

[Proposed Resolution](#)

DISCUSSION ITEMS:

Note: The following agenda items may be heard in a different order at the Board meeting.

Agenda Item #**17-4-3: Public Meeting to Hear a Research Update on Air Pollution and the Brain**

The Board will hear an update on the harmful effects of air pollution on the brain.

[More Information](#)

[Staff Presentation](#)

17-4-4: Public Meeting to Consider Planned Air Pollution Research for Fiscal Year 2017-2018

The Board will consider approving the Proposed 2017-2018 Research Plan (Plan). This Plan reflects a concerted effort to identify the Board's highest priority research needs, and the research projects included in this Plan will support attainment of upcoming air quality and greenhouse gas targets. Research included in the Plan will advance the state of the science and support the Board's efforts to meet California's air quality and climate goals.

[More Information](#)

[Staff Presentation](#)

17-4-6: Public Meeting to Consider Proposed Revisions to the Carl Moyer Memorial Air Quality Standards Attainment Program Guidelines

The Board will consider approving the Proposed Carl Moyer Program (Program) 2017 Guidelines (Guidelines). The updated Guidelines implement changes directed by Senate Bill 513 and redesign the Program to meet California's need to transition to the very low and zero-emission technologies of the future.

[More Information](#)

[Staff Presentation](#)

17-4-8: Public Meeting to Hear Proposed Updates on Truck Field Enforcement Activities and New Screening Technologies for High Emitting Vehicles

The Board will hear an update on the development of a Portable Emissions AcQuisition System. This system pairs emissions data of a passing vehicle with license plate data using an Automatic License Plate Reader (ALPR). The Board will hear staff's intended uses of the ALPR system, the associated privacy and usage policy, and how this system will help further the Air Resources Board's mission.

[More Information](#)

[Staff Presentation](#)

CLOSED SESSION

The Board will hold a closed session, as authorized by Government Code section 11126(e), to confer with, and receive advice from, its legal counsel regarding the following pending or potential litigation, and as authorized by Government Code section 11126(a):

American Fuels and Petrochemical Manufacturers, et al. v. Jane O'Keeffe, et al., U.S. District Court (D. Ore. Portland), Case No. 3:15-CV-00467; Plaintiffs' appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 15-35834.

California Chamber of Commerce et al. v. California Air Resources Board, Sacramento Superior Court, Case No. 34-2012-80001313; plaintiffs' appeal, California Court of Appeal, Third District, Case No. C075930.

Kimberly-Clark Worldwide, Inc. v. California Air Resources Board, et al., Sacramento County Superior Court, Case No. 34-2015-80002246.

Morning Star Packing Company, et al. v. California Air Resources Board, et al., Sacramento Superior Court, Case No. 34-2013-800001464; plaintiffs' appeal, California Court of Appeal, Third District, Case No. C075954.

POET, LLC, et al. v. Corey, et al., Superior Court of California (Fresno County), Case No. 09CECG04659; plaintiffs' appeal, California Court of Appeal, Fifth District, Case No. F064045; California Supreme Court, Case No. S213394 [remanded to trial court]; plaintiff's appeal of trial court order discharging peremptory writ of mandate, Court of Appeal, Fifth District, Case No. F073340.

POET, LLC, et al. v. California Air Resources Board, et al., Superior Court of California (Fresno County), Case No. 15CECG03380.

Rocky Mountain Farmers Union, et al. v. Corey, U.S. District Court (E.D. Cal. Fresno), Case No. 1:09-CV-02234-LJO-DLB; ARB interlocutory appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 12-15131 [remanded to trial court].

American Fuels and Petrochemical Manufacturers, et al. v. Corey, et al., U.S. District Court (E.D. Cal. Fresno), Case No. 1:10-CV-00163-AWI-GSA; ARB's interlocutory appeal, U.S. Court of Appeals, Ninth Circuit, Case No. 10-CV-00163 [remanded to trial court].

Sowinski v. California Air Resources Board, et al., U.S. District Court, Central District of California, Case No. 8:15-CV-02123.

State of North Dakota, et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 16-1242.

State of North Dakota v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1381.

State of West Virginia et al. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1363.

State of Wyoming, et al. v. United States Department of the Interior, et al., U.S. District Court, District of Wyoming, Case No. 16-CV-285-SWS.

Transportation Solutions Defense and Education Fund v. California Air Resources Board, Fresno County Superior Court, Case No. 14CECG01788 (plaintiff's transfer to Sacramento Superior Court, Case No. 34-2014-80001974-CU-WM-GDS).

Adam Brothers Farming, Inc. v. California Air Resources Board, et al., Santa Barbara County Superior Court, Case No. 15 CV04432.

Alliance of Automobile Manufacturers v. United States Environmental Protection Agency, et al., United States Court of Appeals, District of Columbia Circuit, Case No. 17-1086.

Alliance for California Business v. California Air Resources Board, et al., Glenn County Superior Court, Case No. 13CV01232; plaintiffs' appeal, Court of Appeal, Third District, Case No. C082828.

Alliance for California Business v. California State Transportation Agency, et al., Sacramento County Superior Court, Case No. 34-2016-80002491.

American Coatings Association, Inc. v. State of California and California Air Resources Board, Sacramento County Superior Court, Case No. 04CS01707.

Jack Cody dba Cody Transport v. California Air Resources Board, et al., Sacramento Superior Court, Case No. 34-2015-80002116; plaintiff's appeal, Court of Appeal, Third District, Case No. C083083.

Dalton Trucking, Inc. v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 13-1283 (dismissed), U.S. Court of Appeals, Ninth Circuit, Case No. 13-74019.

Hamilton v. California Air Resources Board, et al., U.S. District Court for the Eastern District of California, Case No. 1:15-CV-01942-AWI-SKO.

John R. Lawson Rock & Oil, Inc. et al. v. California Air Resources Board et al., Fresno County Superior Court, Case No. 14-CECG01494; ARB's appeal, Court of Appeal, Fifth District, Case No. F074003.

Murray Energy Corporation v. United States Environmental Protection Agency, U.S. Court of Appeals, District of Columbia Circuit, Case No. 15-1385.

Truck Trailer Manufacturers Association, Inc. v. United States Environmental Protection Agency, et al., U.S. Court of Appeals, District of Columbia Circuit, Case No. 16-1430.

Owner-Operator Independent Drivers Association Inc. et al. v. Corey et al., U.S. District Court, (E.D. Cal. Fresno) Case No. 1:13-CV-01998-LJO-SAB (transferred by court to E.D. Cal. Sacramento, Case No. 2:14-CV-00186-MCE-AC), plaintiffs' appeal U.S. Court of Appeals, Ninth Circuit, Case Nos. 15-72101 and 15-16429.

California Air Resources Board v. Bombardier Recreational Products, Los Angeles Superior Court, Case No. BC608480.

California Air Resources Board v. BP West Coast Products LLC, Contra Costa County Superior Court, Case No. C12-00567.

California Air Resources Board v. SSA Containers, Inc., Los Angeles County Superior Court, Case No. BC628573 and No. BC628722.

California Air Resources Board v. West Coast Diesel, Inc., Fresno County Superior Court, Case No. 15 CECG 03337.

California Air Resources Board v. Adam Brothers Farming Inc., Santa Barbara County Superior Court, Case No. 16CV01758.

People of the State of California ex rel. California Air Resources Board v. Marten Transport Logistics, LLC, Los Angeles County Superior Court, Case No. BC645288.

People v. Southern California Gas Company, Los Angeles Superior Court, Case No. BC 602973.

In re: Volkswagen "Clean Diesel" MDL, United States District Court, Northern District of California, Case No. 15-MD-2672-CRB (JSC).

Mahan v. California Air Resources Board, Sacramento County Superior Court, Case No. 34-2016-80002416.

OPPORTUNITY FOR MEMBERS OF THE BOARD TO COMMENT ON MATTERS OF INTEREST

Board members may identify matters they would like to have noticed for consideration at future meetings and comment on topics of interest; no formal action on these topics will be taken without further notice.

OPEN SESSION TO PROVIDE AN OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD ON SUBJECT MATTERS WITHIN THE JURISDICTION OF THE BOARD

Although no formal Board action may be taken, the Board is allowing an opportunity to interested members of the public to address the Board on items of interest that are within the Board's jurisdiction, but that do not specifically appear on the agenda. Each person will be allowed a maximum of three minutes to ensure that everyone has a chance to speak.

TO ELECTRONICALLY SUBMIT WRITTEN COMMENTS ON AN AGENDA ITEM IN ADVANCE OF THE MEETING GO TO:

<https://www.arb.ca.gov/lispub/comm/bclist.php>

(Note: not all agenda items are available for electronic submittals of written comments.)

PLEASE NOTE: No outside memory sticks or other external devices may be used at any time with the Board audio/visual system or any ARB computers. Therefore, PowerPoint presentations to be displayed at the Board meeting must be electronically submitted via email to the Clerk of the Board at cotb@arb.ca.gov no later than noon on the business day prior to the scheduled Board meeting.

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE CLERK OF THE BOARD:

1001 I Street, 23rd Floor, Sacramento, California 95814

(916) 322-5594

ARB Homepage: www.arb.ca.gov

SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language;
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 7 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia
- Documentos disponibles en un formato alterno u otro idioma
- Una acomodación razonable relacionados con una incapacidad

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 7 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

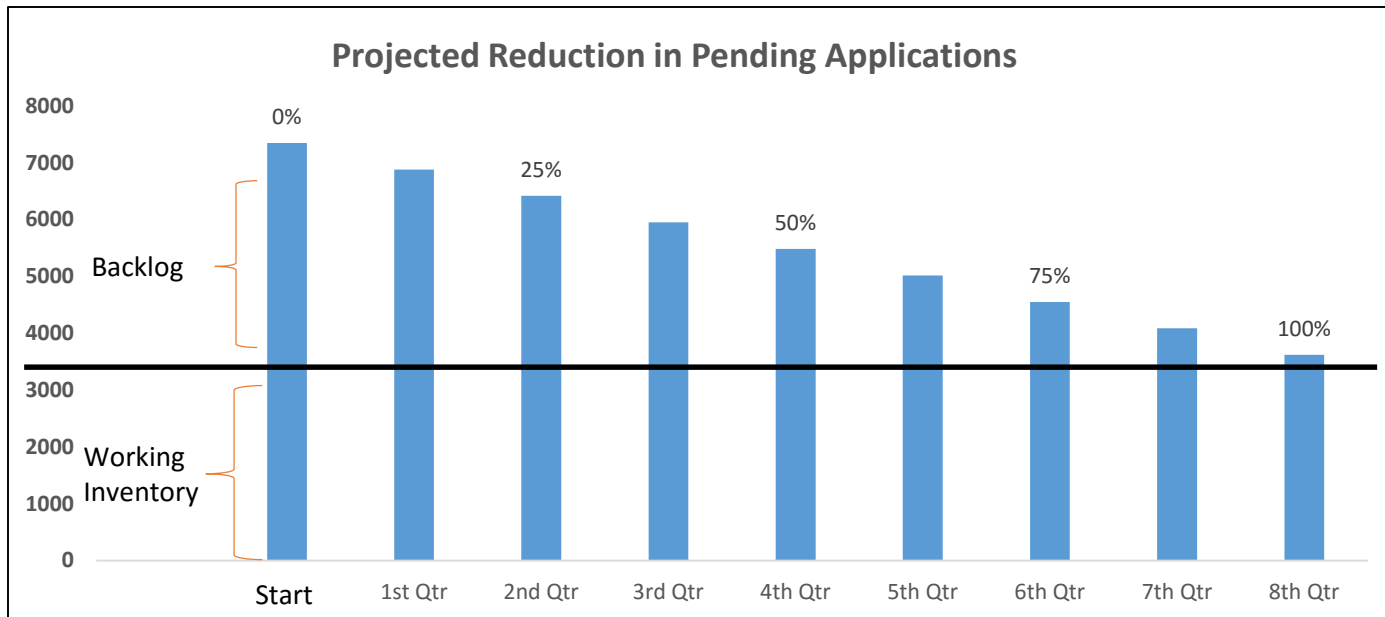
Permit Application Backlog Reduction Progress Report

Governing Board Meeting

May 5, 2017

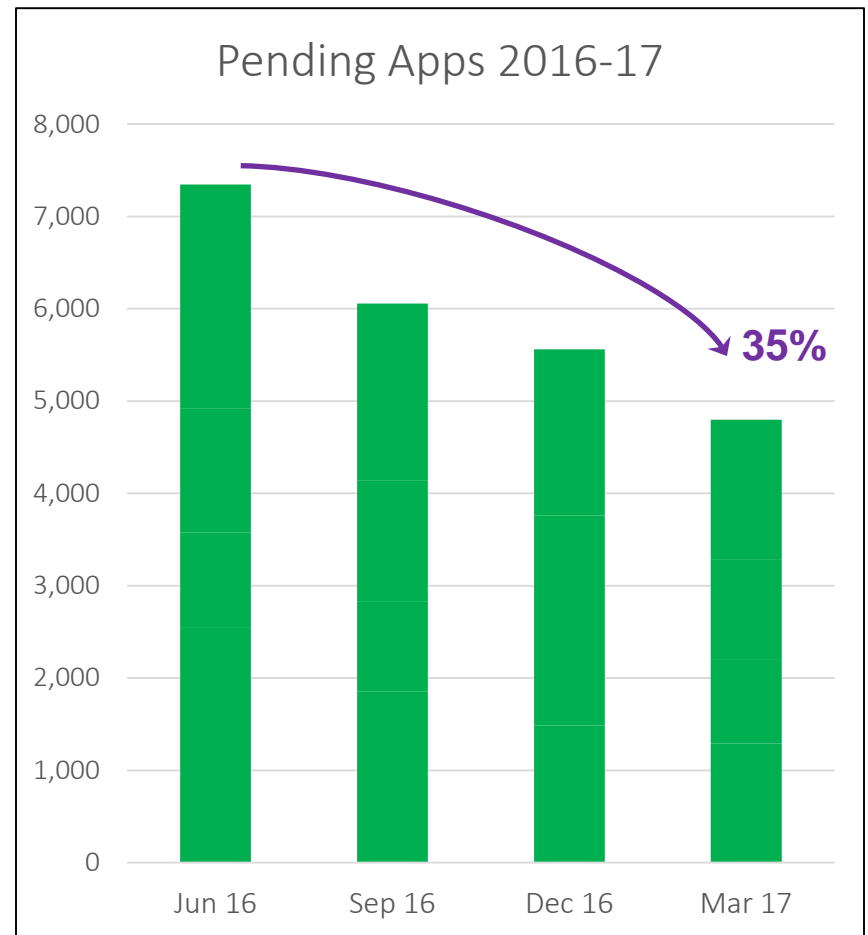
Background

- 7,348 open permit applications as of June 2016 (~ 51% “backlog”)
- “Action Plan” – Presented to Board in October 2016
 - Reduce backlog expeditiously
 - Issue permits in a timely manner
 - Improve customer service/transparency
 - Keep the environment whole

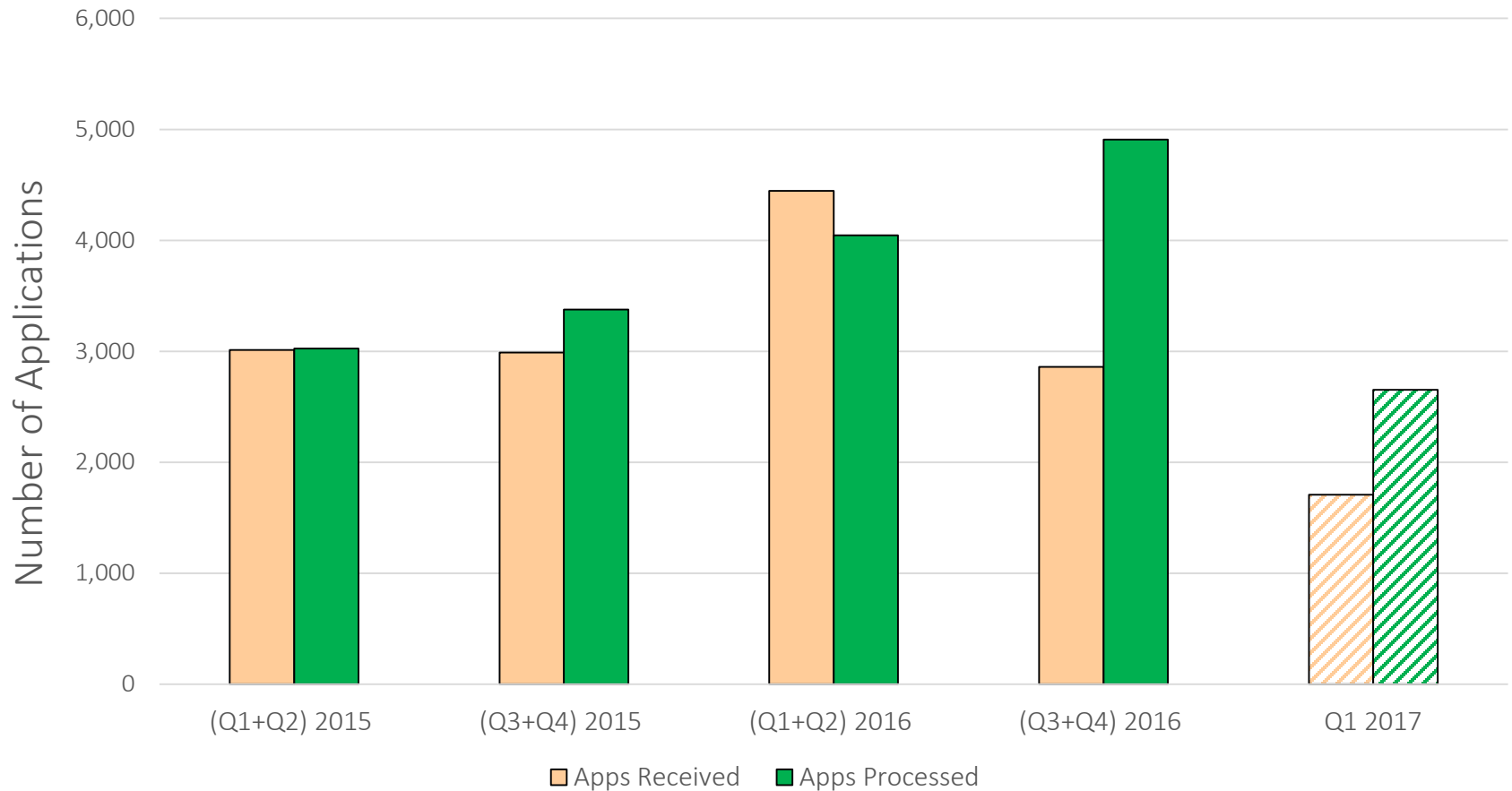


Progress to Date

- Focused on optimizing productivity
 - Improved use of current resources
- Reduced vacancy rate from 22% to 12%
 - Trained new hires
- Utilized only 20% of OT Budget
- Reduced pending permit applications by 35% in 9 months

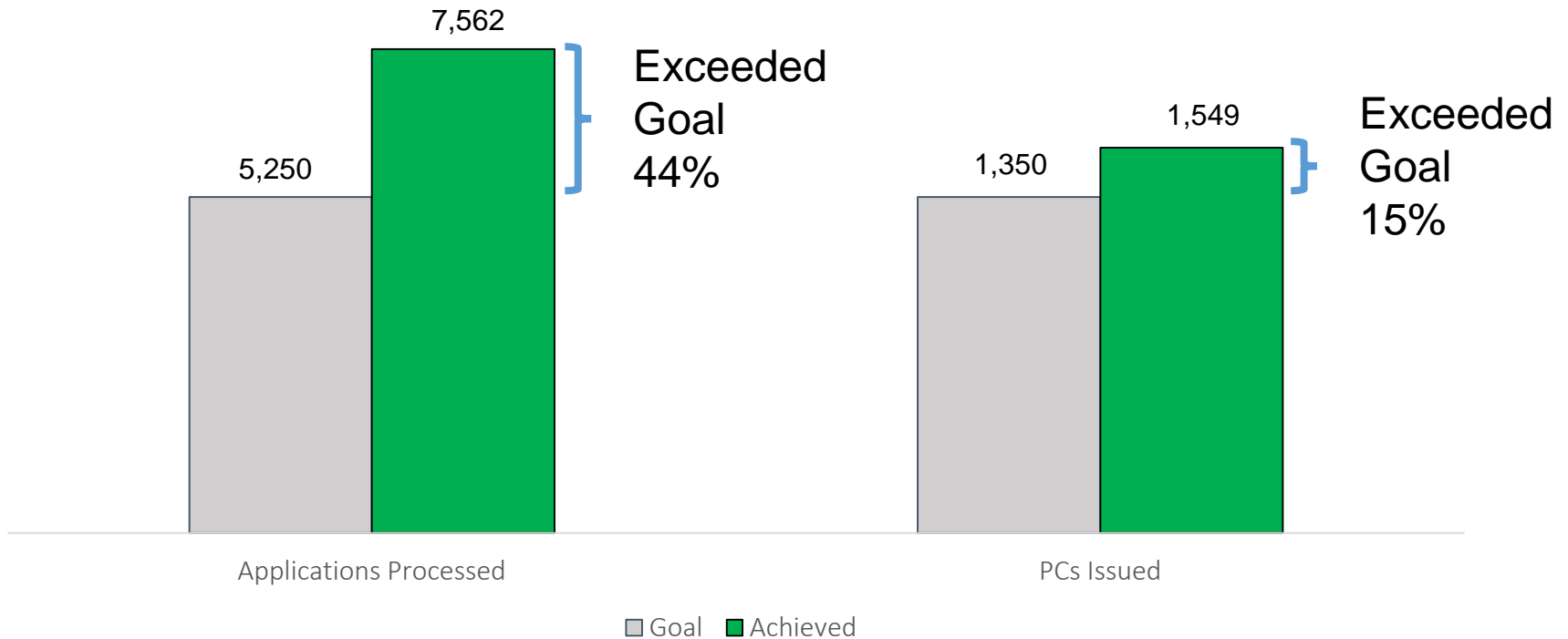


Improved Production Rates

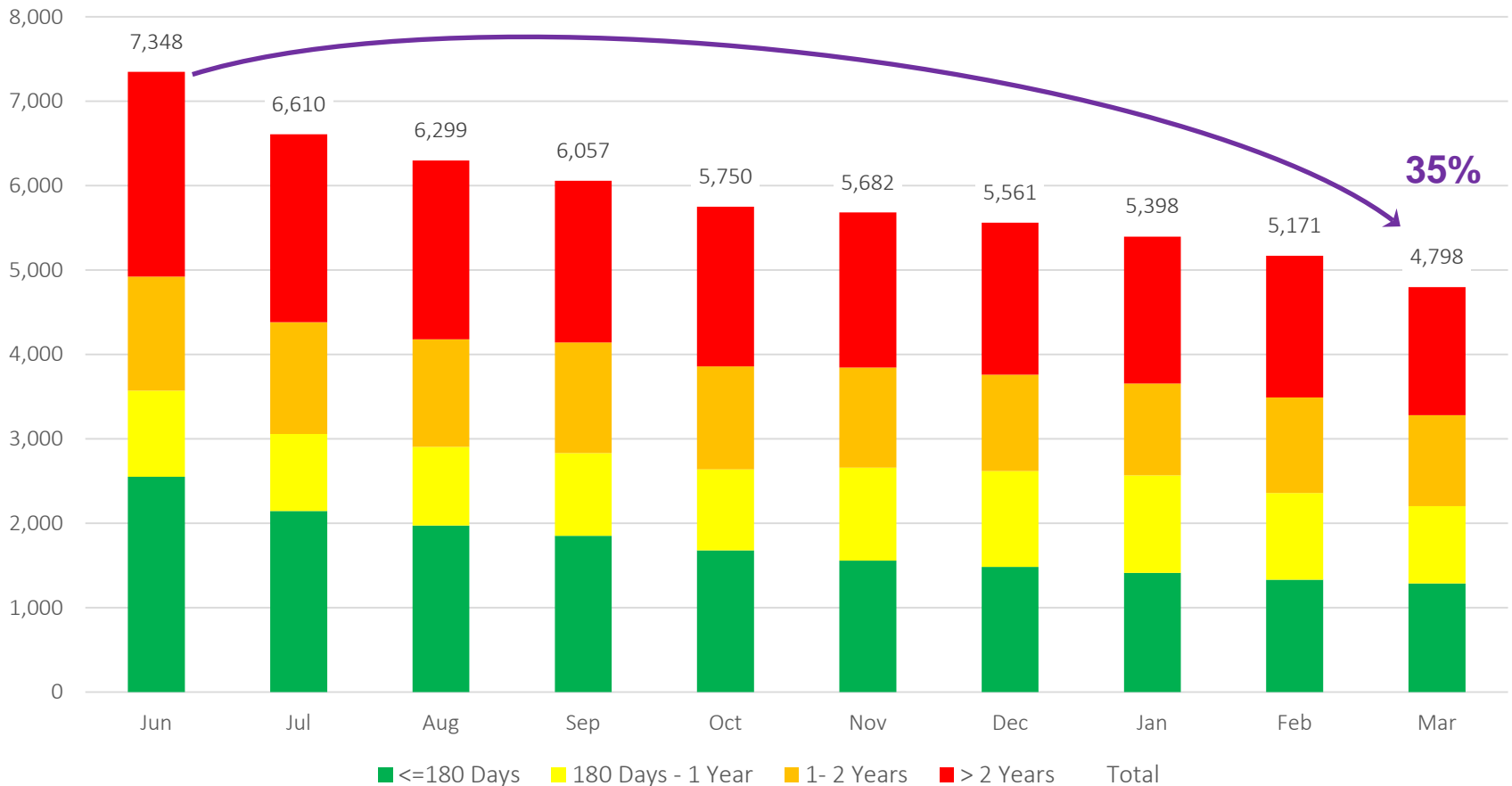


Applications Processed Exceeding Targets

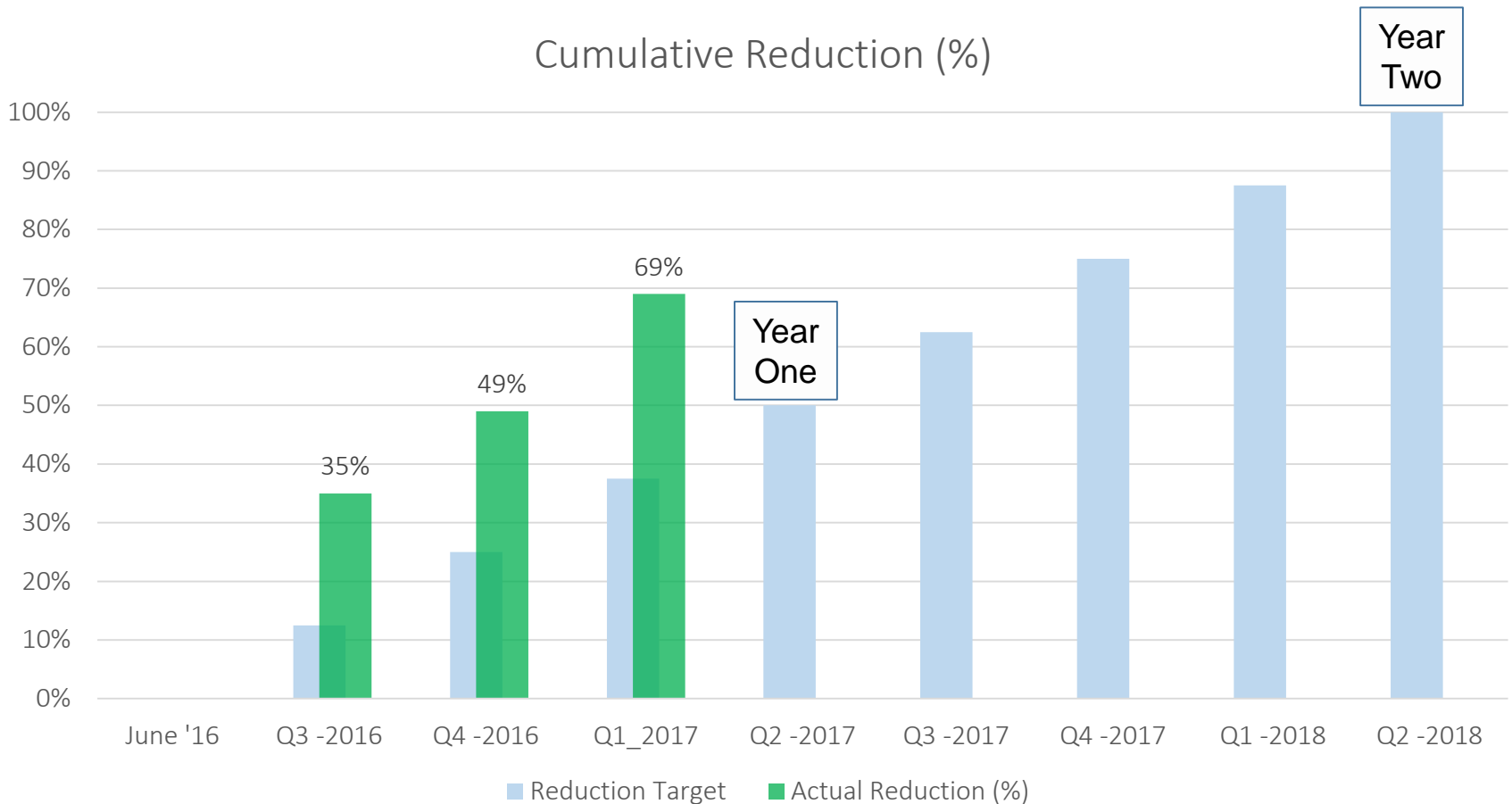
(Progress through Three Quarters)



Pending Applications 2016/2017



Pending Application Reductions Exceeding Targets



Automation/Modernization

- Initiate development of on-line permitting tools
 - Electronic submittal
 - Automated permit issuance



- Focusing on three simpler / high use process equipment



Dry Cleaners



Gas Stations

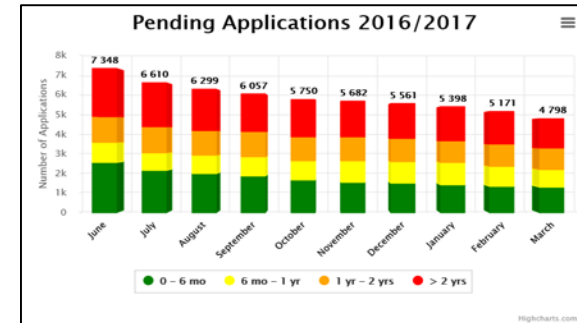


Automotive Spray Booths

- Expecting prototypes by June 2017

Other Activities / Next Steps

- Monthly Dash Board for tracking pending applications
- Continue backlog reduction efforts
 - Utilize OT as necessary to maintain production
 - Online permitting tool development
 - Revise/update outdated policies and procedures
- Continue dialogue with stakeholders
- Initiate program to recognize/acknowledge top performers from each of ten permitting teams



BOARD MEETING DATE: May 5, 2017

AGENDA NO. 26

PROPOSAL: Report on Feasible Target Dates for Sunsetting the RECLAIM Program

SYNOPSIS: At the March 3, 2017 Board meeting, staff was directed to modify the 2016 AQMP NO_x RECLAIM control measure CMB-05 to achieve the five (5) tons per day NO_x emission reduction commitment as soon as feasible, but no later than 2025. In addition, staff was directed to transition the RECLAIM program to a command and control regulatory structure requiring BARCT level controls as soon as practicable, and return in 60 days to report on feasible target dates for sunsetting the RECLAIM program. This item provides staff's initial considerations and suggestions for feasible sunset dates for the RECLAIM program.

COMMITTEE: No Committee Review

RECOMMENDED ACTION:
Receive and file.

Wayne Natri
Executive Officer

PMF:SN:TG:GQ:KO

Background

The South Coast Air Quality Management District (SCAQMD) Board adopted the 2016 Air Quality Management Plan (AQMP) on March 3, 2017. Control Measure CMB-05 of the 2016 AQMP commits to an assessment of the RECLAIM program in order to achieve further NO_x reductions of five tons per day, including actions to sunset the program and ensure future equivalency to command and control regulations. The adopting Resolution directed staff to modify Control Measure CMB-05 to achieve the five tons per day NO_x emission reduction as soon as feasible but no later than 2025, to transition the RECLAIM program to a command and control regulatory structure requiring BARCT level controls as soon as practicable, and to return in 60 days to the Board to report on feasible target dates for sunsetting the RECLAIM program.

Public Process

Since the March 3, 2017 Board meeting, staff has held two working group meetings, on March 24, 2017 and on April 19, 2017. In addition, a conference call was conducted on April 26, 2017 to allow stakeholders an opportunity to provide comments on staff's presentation to the Board. Throughout the 60 days and moving forward, staff encouraged stakeholders to meet with the SCAQMD staff to provide input on the transition to a command and control regulatory structure.

Development of a Transition Plan

There are a number of challenges for transitioning RECLAIM to command and control. One of the challenges is due to the complexity of the 268 NO_x RECLAIM facilities, which include over 2,500 individual pieces of equipment. Adding to the challenge are the many issues that will need to be addressed through the transition process, such as New Source Review, permitting, rule development, monitoring, and a variety of policy decisions. Staff has initiated the development of a Transition Plan that provides an approach and general timeframe for addressing these topics as the RECLAIM program is transitioned to a command and control regulatory structure. The overall objective is to achieve the additional 5 tons per day of NO_x reductions by 2025. It should be noted that some Working Group members suggested a range of dates for sunseting the program, from 2023 to 2031.

The transition development plan will include the following four elements: 1) Identifying Key Issues; 2) Collaboration; 3) Strategic Planning, and 4) Implementing Recommendations. A description of these four elements is as follows:

- **Identifying Key Issues:** Over the past 60 days staff has developed an initial list of issues with input from the RECLAIM Working Group. As the transition process progresses, it is expected that additional issues will be identified.
- **Collaboration:** Throughout the process, staff will collaborate with CARB and other stakeholders to discuss key issues and develop options and actions to address issues. Collaboration will occur through the RECLAIM Working Group, sub-topic work groups, and individual meetings.
- **Strategic Planning:** This element includes development of recommendations for each of the issues identified. Each issue will be categorized in the following three groups based on the expected timeframe recommendations that are expected to be implemented: Early Action Recommendations: <18 months; Mid-Term Action Recommendations: 18 to 36 months; and Longer-Term Action Recommendations: no later than 2024.
- **Implementing Recommendations:** Implementation of recommendations is expected to occur throughout the process up to 2025.

Initial List of Key Issues Identified

The following provides a summary of the initial list of key issues developed with input from the RECLAIM Working Group. Many of these issues are complex and will require substantial additional analysis. In addition to the issues identified below, there are a number of considerations that must be taken into account when addressing the issues discussed below, such as turnaround schedules and major downtime for large facilities; regulatory certainty for the 12 tons per day shave plus the additional commitment of 5 tons per day; BARCT assessments and mechanisms to minimize stranded assets; economic and environmental impacts of the RECLAIM transition while still achieving air quality objectives; and consideration of SCAQMD resources throughout this process.

Potential Early Recommendations and Action Items

Potential early recommendations and action items are in response to those issues which staff anticipates will occur within 18 months. In general, these issues are less complex or are issues for which early resolution is needed for the overall transition process. One of the initial early actions would be to amend Rule 2001 - Applicability, to prohibit new facilities from entering the RECLAIM program. Staff also intends on establishing provisions to provide for an easy earlier exit for facilities at BARCT and to establish a command and control rulemaking schedule. Technology assessments and rule developments will be initiated, with emphasis on the largest RECLAIM sources. During this early phase of the transition, staff will develop a more detailed transition schedule to provide more regulatory certainty for stakeholders. In addition, some policy decisions will need to be addressed, such as a possible SO_x RECLAIM sunset; and an assessment of alternative compliance approaches within a command and control regulatory structure such as facility bubbles.

Potential Mid-term Recommendations and Action Items

Potential mid-term recommendations and action items are in response to those issues which staff anticipates will occur within 18 to 36 months. In general, these issues are more complex, will require more time to work with stakeholders, and more time to conduct analysis. Some of these actions will include a continuation of BARCT determinations and further rule development, as needed. Additional policy issues would be addressed within the timeframe which include New Source Review Emission Reduction Credits (ERCs), permitting, and Monitoring, Recordkeeping, and Reporting requirements for facilities exiting RECLAIM.

Potential Longer-term Recommendations and Action Items

Under this category of issues, staff anticipates recommendations and actions to occur after mid-term recommendations and no later than 2024. The objective is to establish any remaining rule development activities or other actions by 2024 to ensure that the

smooth transition to command and control will occur as soon as possible. These amendments will include those that sunset all remaining aspects of the RECLAIM program. Throughout the process, staff will track emission reductions to ensure that the 5 tons per day of NO_x reductions from current RECLAIM facilities will be achieved by 2025.

Next Steps

Staff will meet with the RECLAIM Working Group monthly. In the coming months staff will begin development of early action recommendations to better identify key issues and to further develop the Transition Plan. Staff will also commence efforts to establish priorities and initiate the rulemaking processes, with the first phase of proposed rule amendments targeted for completion in 2018. In addition, staff will identify target dates for the completion of rules or rule amendments governing facilities that transition to a command and control regulatory structure. Staff will report back to the Stationary Source Committee on progress and recommendations every six months.

Attachment

Board Meeting Presentation

60-Day Report on Transitioning NOx RECLAIM to Command and Control

May 5, 2017

Governing Board Meeting

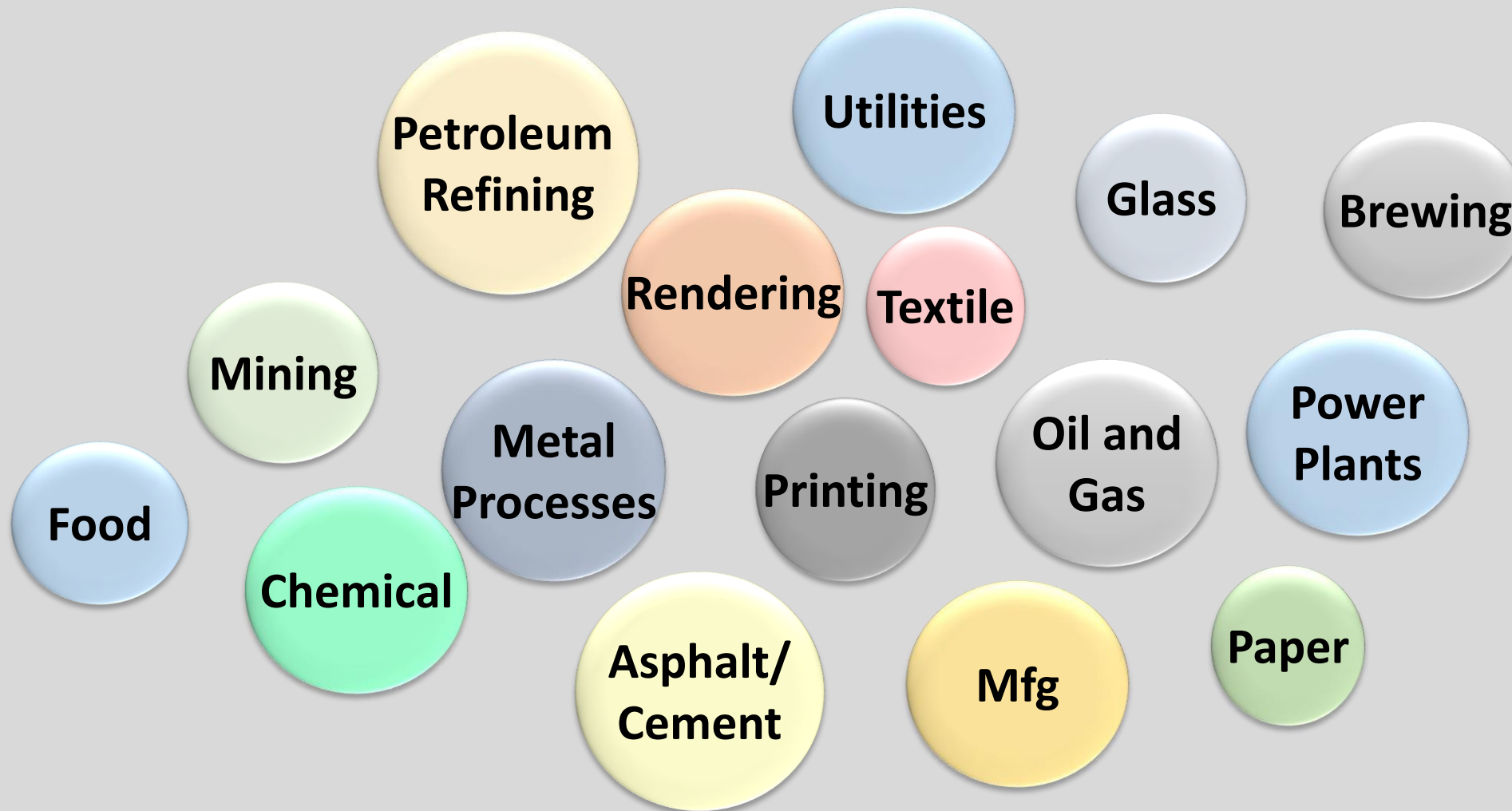
60-Day Process

- Two Working Group Meetings and a conference call with Working Group
- 5 individual stakeholder meetings
- Goal is to achieve an additional 5 tons per day NO_x reductions by 2025, and transition the program to command and control as soon as practicable
- Complex program with steep challenges for the transition

Complexity of RECLAIM Universe

268
Facilities in
NO_x
RECLAIM

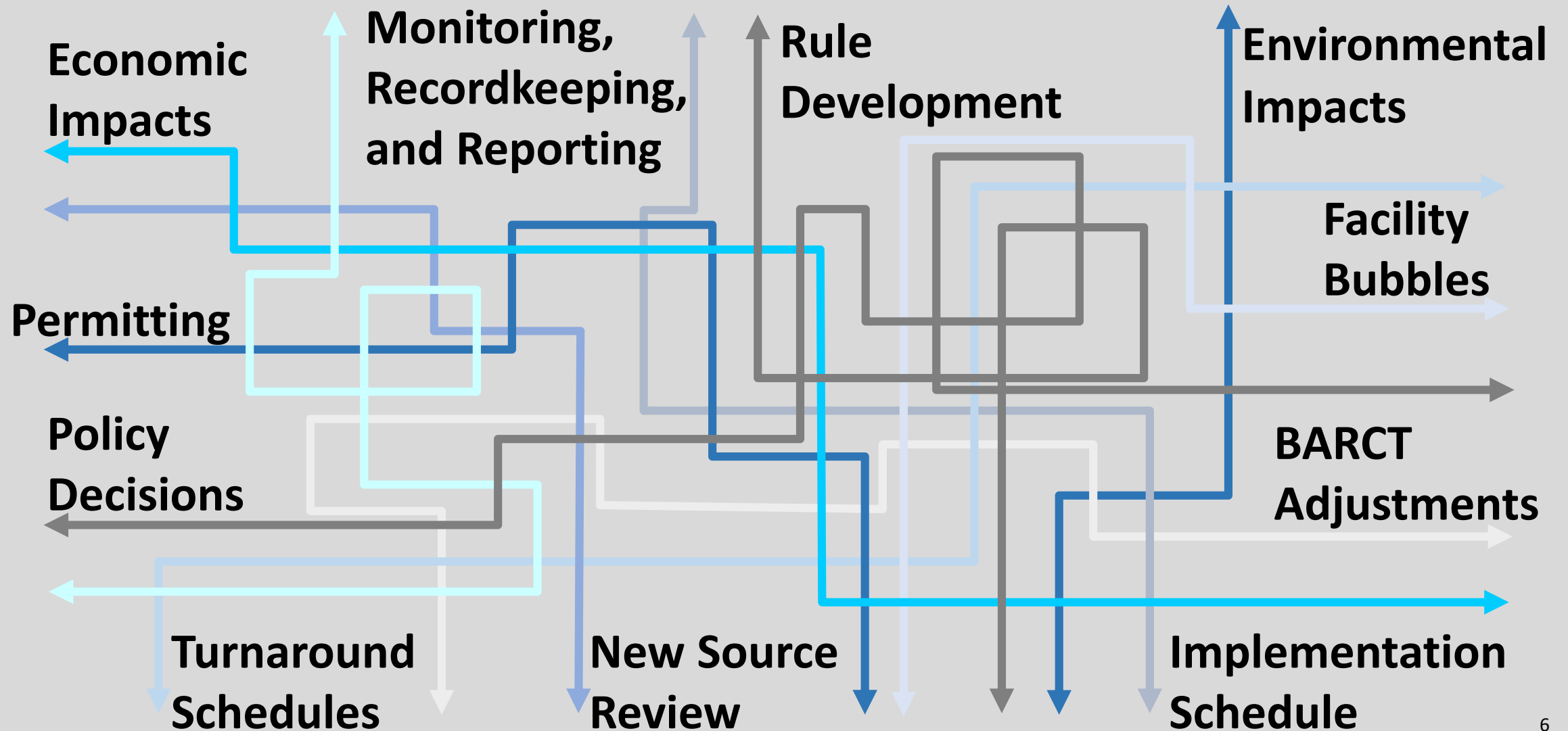
Complexity of RECLAIM Universe



Complexity of RECLAIM Universe

>2,500
Pieces of
Equipment

Complexity of the Challenge



Development of a Transition Plan



Identify Issues

- Create list of considerations and potential issues for transition



Stakeholder Collaboration

- Discuss issues with Working Group
- Sub-Topic Work Groups
- Individual Meetings
- Develop options and actions to address issues



Strategic Planning

- Develop recommendations for each issue identified
- Schedule for recommendations:
 - Early Recommendations (<18 months)
 - Mid-term Recommendations: (18 - 36 months)
 - Longer-Term Recommendations (No later than 2024)




Implement

Implement recommendations




Potential Early Recommendations and Action Items (18 months)

- Amend Rule 2001 to prohibit new facilities entering into the RECLAIM program
- Establish provisions for easy early exit for facilities
- Establish command and control rulemaking schedule
- Initiate technology assessments and rule development - emphasis on largest sources
- Establish a transition schedule to provide regulatory certainty
- Policy decisions:
 - SO_x RECLAIM – sunset?
 - Assess alternative compliance approaches within command and control such as facility bubbles



Potential Mid-term Recommendations and Action Items (36 months)

- Continue with BARCT determinations and rule development to amend command and control rules as needed
- Additional policy decisions
 - New source review – ERC availability
 - Permitting for ex-RECLAIM facilities
 - Monitoring, Recordkeeping, and Reporting Requirements

A vertical photograph on the left side of the slide shows an industrial control room. It features a large, light-colored control panel with a circular gauge at the top and several rows of buttons or indicators below. The background is slightly blurred, showing more of the industrial environment.

Potential Longer-term Recommendations and Action Items (No later than 2024)

- Track and ensure 5 tons per day are on schedule to be achieved by 2025
- Amend remaining command and control rules
- Amendments that sunset all remaining aspects of NO_x RECLAIM program as soon as feasible

Other Considerations

- Turnaround schedules and major downtime for large facilities
- Regulatory certainty: 12 tpd + 5 tpd
- BARCT assessments – minimizing stranded assets
- Economic and environmental impacts of the RECLAIM transition while still achieving air quality objectives
- Alternative compliance options during transition or within command and control
- SCAQMD resources



Timing of Transition to Command and Control

- Will require substantial additional analyses and public process beyond initial 60 days
- Staff discussed alignment of sunset date with 5 tpd commitment in 2025
- Working group suggested range of dates, from 2023 to 2031
- Practically, timing of sunset will likely vary for different
 - Industry sectors
 - Equipment types
 - Complexities and numbers of equipment at facility
 - BARCT/BACT status of facility
 - Allocation/Holding status – structured buyers, newer facilities



Next Steps for the Transition

- Continue to meet with the Working Group (monthly) and individual stakeholders/facility operators
- Further development of Transition Plan
- Establish priorities and initiate rulemaking with the first phase of proposed rule amendments
 - These rule changes can define the glide path of the transition process and provide more regulatory certainty
- Identify target dates for the completion of rules or rule amendments governing the transitioned facilities to a command and control rule structure
- Report back to Stationary Source Committee on progress and recommendations every ~6 months

BOARD MEETING DATE: May 5, 2017

AGENDA NO. 27

PROPOSAL: Amend Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II; and
Amend Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II

SYNOPSIS: Proposed Amended Rule 219 will exempt certain categories of equipment from the requirement to obtain a written permit and remove existing exemptions for equipment that the SCAQMD has learned may not be able to demonstrate compliance with all SCAQMD rules, and will also provide clarification for sources or processes currently covered under Rule 219. Proposed Amended Rule 222 will add additional categories to the streamlined filing/registration program of Rule 222. Both proposed amendments will further facilitate the streamlining of the District's permitting system.

COMMITTEE: Stationary Source, March 17, 2017 and April 21, 2017
Reviewed

RECOMMENDED ACTIONS:

Adopt the attached resolution:

1. Determining that the proposed amendments to Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II, and Rule 222 - Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II, are exempt from requirements of the California Environmental Quality Act;
2. Amending Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II; and

3. Amending Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II.

Wayne Natri
Executive Officer

PF:SN:TG:BG

Background

Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II – identifies equipment, processes, and operations that emit small amounts of air contaminants or those where SCAQMD staff has determined that the particular source will meet requirements of existing SCAQMD rules and therefore a written permit is not needed. Proposed Amended Rule (PAR) 219 seeks to include additional equipment for exemption and clarify existing rule language regarding the intent of existing exemptions and revisions to improve clarity.

Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II – provides an alternative to SCAQMD written permits by allowing certain emission sources that meet predetermined criteria to register the emission source in the Rule 222 filing program. These emission sources are smaller emitters and less complex sources. These sources do not require a written permit but are required to meet the filing requirements pursuant to the Rule 222 filing program. The filing is typically accompanied by pre-established operating conditions, which limit air contaminants.

Public Process

Proposed Amended Rules 219 and 222 were developed with input from a variety of stakeholders that included representatives from industry, consultants, and public agencies. Two working group meetings were held on August 2, 2016 and November 10, 2016. In addition to input from external stakeholders, inputs from SCAQMD permitting, monitoring, and compliance staff were also considered. A Public Workshop was held on March 2, 2017 to present the proposed rule and receive public comment. Sixteen comment letters were received and responded to and are provided in the Final Staff Report.

PAR 219 Proposal

Under PAR 219 there are two major categories of revisions: (1) sources that will be exempt from written permits and (2) sources that will be required to obtain written permits. For each of the categories there are specific details in PAR 219 regarding the size and/or other conditions in which these provisions apply. Under the first category, PAR 219 includes seven types of equipment or processes where

an exemption from permitting is recommended based on information that the amount of criteria pollutants would be low (less than 1 pound per day) and there is no or very low potential for toxic emissions.

Under the second category, PAR 219 includes 10 types of equipment or processes where a permit will be required due to their potential for toxics, criteria pollutants or public nuisance, and to ensure compliance with existing SCAQMD rules. A list of equipment and processes is provided in Attachment A, Summary of Proposed Rule.

PAR 219 also includes revisions for certain exempt equipment that is an integral part of an operation requiring a written permit at heat treatment and metal finishing facilities. This requirement is simply to list the exempt equipment on a permit, without evaluating the equipment under New Source Review or New Source Review of Toxic Air Contaminants. Provisions were also added to allow a no-fee filing option for low-VOC technologies. Other modifications to PAR 219 are also made to improve the clarity and enforceability of Rule 219.

PAR 222 Proposal

Proposed Amended Rule 222 will require the following four equipment categories to file a Rule 222 registration: engines registered with the Statewide Portable Equipment Registration Program used in the Outer Continental Shelf; tanks for aqueous urea storage; industrial water cooling towers located in a chemical plant, refinery or other industrial facility; and natural gas production equipment, including natural gas pipeline transfer pumps and natural gas repressurizing equipment.

Key Remaining Issues

Staff worked to address and resolve a number of issues raised by stakeholders in the rule development process. There were two issues that were not accommodated in the proposed rule language. First, a stakeholder asked to allow replacement of one type of VOC control used on floating roof tanks with another type of VOC control technology, under an exemption from permitting. The requested technology is a flexible enclosure, or vapor sock, and it replaces a pole float in a slotted guide pole in a floating roof tank. The stakeholder request identified that U.S. EPA considers these technologies to be equivalent in controlling VOC emissions, and that removing the pole float allows radar gauging, which is a better measurement technology of the liquid level inside the tank. However, vapor socks are not currently allowed for tanks subject to Rule 1178 - Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities.

As specified in the adoption Resolution, staff will work with U.S. EPA, CARB and interested stakeholders to introduce proposed amendments to Rule 1178 within the first quarter of 2018 to incorporate VOC emission control technologies for guidepoles in a floating roof tank, as recognized by US EPA, including the Storage Tank Emission Reduction Partnership Program (STERPP). Staff will also explore various mechanisms to minimize permitting impacts when addressing VOC control technologies for guidepoles in a floating roof tank that are recognized in any amendment to Rule 1178, including a possible Rule 219 exemption.

The last remaining issue that staff is aware of is a stakeholder request that PAR 219 should modify provisions regarding ultraviolet (UV)-electron beam (EB), or UV-light-emitting diode (LED) technologies. An industry association representative has commented that provisions in PAR 219 for materials cured by UV/EB/LED technologies are difficult for small business owners and should be revised. Additional requested changes include provisions requiring a Rule 222 registration or no-fee filing option for low-VOC technologies should not be subject to an emission limit of 1 ton per year, the no-fee filing (one page, simple form) option to Rule 222 registration is too onerous, and that the rule provision that exempts a source from permitting when using UV/EB/LED technologies should not specify the types of materials (i.e. non-water-based, non-solvent) where use of materials up to 132 gallons/month is allowed for a permit exemption.

PAR 219 has been revised to incorporate a no-fee filing compliance option, but other provisions are needed to ensure materials and solvents used with UV/EB/LED technologies are consistent with mass emission requirements established with other provisions in Rule 219 for material and solvent usages. Existing Rule 219 requires registration for low-VOC technologies. Under PAR 219, a no-fee, simple one-page filing is an additional compliance option, and the option to submit a registration under Rule 222 (\$200 annually) is still available.

Regarding removal of the 1 ton per day limit for low-VOC technologies, PAR 219 allows businesses using low-VOC technologies a mass emission limit 2½ times higher than other VOC-containing materials or technologies.

AQMP and Legal Mandates

Pursuant to Health & Safety Code Section 40460 (a), the SCAQMD is required to adopt an Air Quality Management Plan (AQMP) demonstrating compliance with all federal regulations and standards. The SCAQMD is required to adopt rules and regulations that carry out the objectives of the AQMP. The proposed amendments are not control measures in the AQMP. However, the proposed amendment to require certain industrial cooling towers to submit a registration under Rule 222 will help to facilitate development of an equipment inventory and emission

calculations for future rule development pursuant to 2016 AQMP control measure BCM-02 – Emission Reductions from Cooling Towers [PM].

The proposed amendments will improve enforceability and enhance compliance with SCAQMD rules and regulations. After adoption, the proposed amendments will be forwarded to CARB and U.S. EPA) for inclusion in the State Implementation Plan (SIP).

California Environmental Quality Act

Pursuant to California Environmental Quality Act (CEQA) and SCAQMD Rule 110, the SCAQMD, as lead agency for the proposed project, has reviewed the proposed project pursuant to: 1) CEQA Guidelines § 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and 2) CEQA Guidelines § 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. SCAQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Thus, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines § 15061(b)(3) – Activities Covered by General Rule. A Notice of Exemption (NOE) has been prepared pursuant to CEQA Guidelines § 15062 - Notice of Exemption, and if the project is approved, the NOE will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

Socioeconomic Assessment

Under existing rule language, any affected equipment requiring a written permit is subject to a one-time permit processing fee when applying for a permit, and annual operating and flat emissions fees thereafter. The proposed amendments would remove certain existing exemptions for certain specified categories of equipment and would add new equipment categories for exemption from the requirement to obtain a written permit. As a result, PAR 219 would increase costs for some facilities and decrease costs for other facilities. Using a very conservative analysis methodology, it is estimated there are up to 174 pieces of equipment that may need to obtain a written permit due to loss of a current exemption, and 89 pieces of equipment that will be exempted and therefore not be subject to permitting and annual operating fees in the future. In addition, approximately 300 pieces of equipment will require registration under Rule 222. The total annualized cost associated with PARs 219 and 222 are \$38,125 and \$69,197, respectively. The majority of costs (~85%) in PAR 219 are associated with permitting sources of toxics emissions, and in PAR 222 the majority of costs (~64%) are associated with industrial cooling towers (in conjunction with the 2016 AQMP).

On October 14, 1994, the Board adopted a resolution that requires staff to address whether the proposed amendments being considered for adoption are in rank order of cost-effectiveness in the Air Quality Management Plan (AQMP). The proposed amendments to Rules 219 and 222 are not part of the AQMP; therefore, the ranking order of cost-effectiveness is not applicable here.

Implementation and Resource Impacts

Upon adoption of PARs 219 and 222, staff will begin implementation, including transitioning new equipment, processes and operations that qualify for an exemption in Rule 219, and those that will be transitioned to the more streamlined Rule 222 filing program. In addition, staff will reach out to facilities that may have equipment that has lost an existing exemption and inform those facilities of the new rule status. No additional resources are required to implement the proposed amendments. Existing SCAQMD resources will be used to implement PARs 219 and 222.

ATTACHMENTS

- A. Summary of Proposed Amended Rules
- B. Key Issues
- C. Rule Development Process
- D. Key Contacts List
- E. Resolution
- F. Proposed Amended Rule Language for Rule 219
- G. Proposed Amended Rule Language for Rule 222
- H. Final Staff Report
- I. CEQA Notice of Exemption
- J. Board Meeting Presentation

ATTACHMENT A

SUMMARY OF PROPOSED AMENDED RULES

Proposed Amended Rule: 219 – Equipment Not Requiring a Written Permit Pursuant To Regulation II, and

Proposed Amended Rule: 222 – Equipment Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant To Regulation II

- **Additional equipment, processes, and operations exempt from permitting under PAR 219**

PAR 219 includes an exemption from permitting for the following equipment, processes, or operations. PAR 219 specifies the conditions associated with each of the sources identified below.

- Sub-slab ventilation systems of a specific size [(c)(11)]
- Passive carbon filters used to control odors from food waste slurry storage tanks [(c)(10)]
- Hand-held plasma-arc cutting and laser cutting equipment depending on metals cut [(e)(8)]
- Coffee roasters up to 15 kg batch capacity [(i)(8)]
- Breweries over a specified threshold [(i)(13)]
- Equipment used to manufacture dehydrated meats [(i)(14)]
- Tanks for aqueous urea storage [(m)(24)]

- **Equipment, processes, and operations that will not be exempt from permitting under PAR 219**

PAR 219 includes the following equipment, processes, or operations that will require a written permit based on the potential for these sources to have criteria pollutant, toxics emissions, and/or nuisance issues and to ensure compliance with SCAQMD rules. PAR 219 specifies the conditions associated with each of the sources identified below.

- Cutting of stainless steel and alloys containing toxics [(e)(8)]
- Portable asphalt recycling equipment [(g)(1)]
- Shredding or grinding of greenwaste, and wood that is painted or treated for exterior exposure [(g)(2)]
- Separation or segregation of plastics that involves cutting, shredding, grinding, or odors [(g)(4)]
- Recycling of expanded polystyrene [(j)(4)]
- Pavement stripers where supplemental heat is used [(l)(9)]
- Mobile platforms with VOC-containing tanks of combined storage greater than 251 gallons [(m)(9)]

- Equipment used for cleaning of diesel particulate filters [(o)(3)]
 - Tanks containing chromium or certain other toxic metals [(p)(4), (p)(5)]
 - Carpet and fabric recycling [(p)(10)]
- Allow an additional no-fee compliance option for certain low-VOC printing, coating and drying equipment and operations, including UV/EB/LED that are currently required to register under the Rule 222 filing program.
 - **Add additional sources of equipment, processes, and operations to the Rule 222 filing program**
 The proposal also includes the following equipment and registration under the Rule 222 filing program:
 - Engines registered with the Statewide Portable Equipment Registration Program (PERP) used in the Outer Continental Shelf (OCS) [PAR 219 (r)(2)]
 - Tanks for aqueous urea storage [PAR 219 (m)(24)]
 - Industrial water cooling towers located in a chemical plant, refinery or other industrial facility [PAR 219 (d)(3)]
 - Natural gas production equipment, including natural gas pipeline transfer pumps and natural gas repressurizing equipment [PAR 219 (n)(2), (n)(3)]
 - Minor revisions to improve clarity or enforceability of the proposed rules.

ATTACHMENT B

KEY ISSUE

Proposed Amended Rule: 219 – Equipment Not Requiring a Written Permit Pursuant To Regulation II, and

Proposed Amended Rule: 222 – Equipment Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant To Regulation II

Issue: PAR 219 should modify provisions that discourage use of ultraviolet (UV)-electron beam (EB), or UV-light-emitting diode (LED) technologies

- Industry association representative has commented that provisions in PAR 219 for materials cured by UV/EB/LED technologies are difficult for small business owners and should be revised.
 - Provisions requiring a Rule 222 registration or no-fee filing option for low-VOC technologies, (50 g/L materials and 25 g/L solvents) should not be subject to an emission limit of 1 ton per year;
 - No-fee filing (one-page, simple form) option to Rule 222 registration is too onerous; and
 - Provisions that exempt a source from permitting when using UV/EB/LED technologies should not specify the types of materials (non-water-based, non-solvent) where use of materials up to 132 gallons/month is allowed for a permit exemption.

Staff Response:

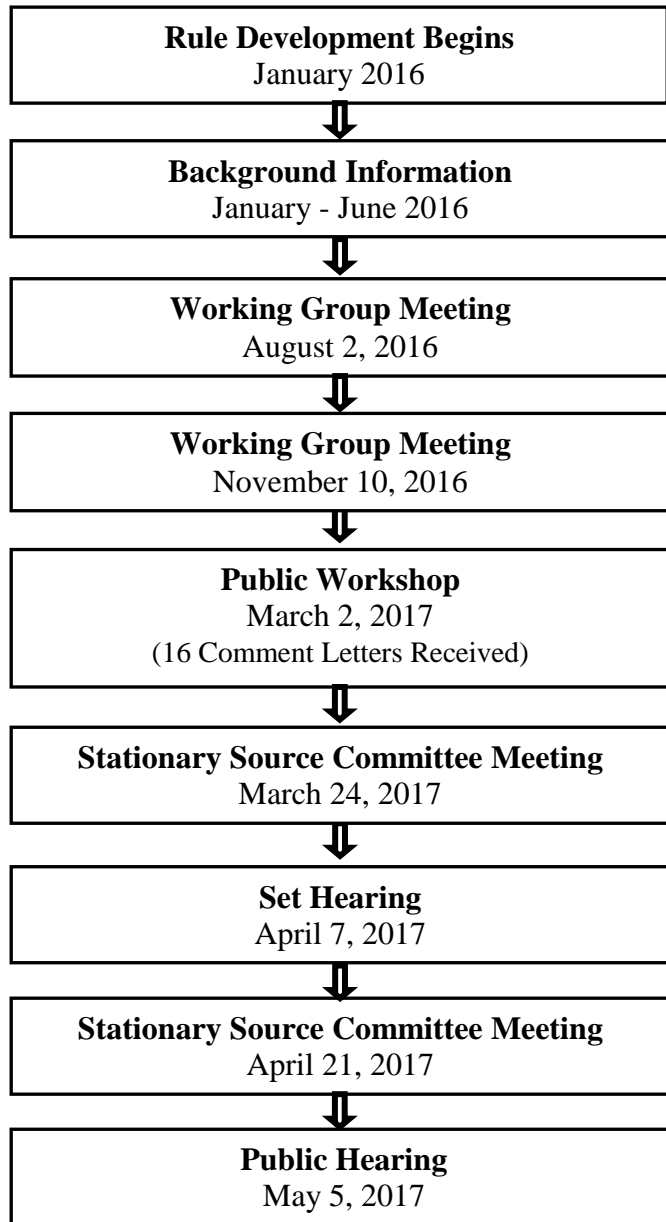
- PAR 219 has been revised to incorporate a no-fee filing compliance option, but other provisions are needed to ensure materials and solvents used with UV/EB/LED technologies are consistent with mass emission requirements established with other provisions in Rule 219 for permit exemptions for materials and solvents usages
- Existing Rule 219 requires registration for low-VOC technologies
 - PAR 219 offers a no-fee, simple one-page option
 - The option to submit a registration is still available
- Regarding removing the 1 ton per day limit for low-VOC technologies, PAR 219 allows businesses using low-VOC technologies a mass emission limit 2½ times higher than other VOC technologies
- Removing provisions that limits the types of materials and solvents that can be used on a usage basis (132 gallons per month) would allow use of high-VOC materials

ATTACHMENT C

RULE DEVELOPMENT PROCESS

Proposed Amended Rule: 219 – Equipment Not Requiring a Written Permit Pursuant To Regulation II, and

Proposed Amended Rule: 222 – Equipment Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant To Regulation II



Sixteen (16) months spent in rule development

ATTACHMENT D
KEY CONTACTS LIST

Proposed Amended Rule: 219 – Equipment Not Requiring a Written Permit Pursuant To Regulation II, and

Proposed Amended Rule: 222 – Equipment Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant To Regulation II

- Advanced Environmental Controls
- Alta Environmental
- Beta Offshore
- Boeing
- Breitburn
- California Autobody Association
- California Independent Petroleum Association, CIPA
- California Small Business Alliance
- California Steel Industries
- Disneyland Resort
- DCOR
- E&B Natural Resources
- Eastern Municipal Water District
- Ecotek
- Envera Consulting
- ES Engineering
- Furnace Dynamics, Inc
- Integra Environmental Consulting
- Irvine Ranch Water District
- LA County Sanitation Districts
- LADWP
- Metal Finishing Association of Southern California
- Metropolitan Water District
- Milan Ray Steube
- Montrose Environmental
- Moog
- Orange County Sanitation District
- Pasadena Unified School District
- Pavement Recycling Systems
- Port of Los Angeles
- Radtech International
- Rambol Environ
- R.F. MacDonald
- Signal Hill Petroleum
- Southern California Alliance of POTWs
- Southern California Edison
- Tesoro
- Tesoro Logistics
- The Gas Co / SEMPRA
- Trinity Consultants
- United Airlines
- Valley Power Systems
- Yorke Engineering, LLC

ATTACHMENT E

RESOLUTION NO 17-_____

A Resolution of the South Coast Air Quality Management District (SCAQMD) Governing Board determining that the proposed amendments to Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II, and Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II, are exempt from the requirements of the California Environmental Quality Act (CEQA).

A Resolution of the SCAQMD Governing Board amending Rule 219 – Equipment Not Requiring a Written Permit Pursuant to Regulation II, and Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II.

WHEREAS, the SCAQMD has had its regulatory program certified pursuant to Public Resources Code § 21080.5 and has conducted a CEQA review and analysis of the proposed amendments to Rule 219 and Rule 222 pursuant to such program (SCAQMD Rule 110); and

WHEREAS, the SCAQMD Governing Board finds and determines that the proposed amendments to Rule 219 and Rule 222 are considered a "project" pursuant to CEQA per CEQA Guidelines § 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA; and

WHEREAS, the SCAQMD Governing Board finds and determines that after conducting a review of the proposed project in accordance with CEQA Guidelines § 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA, the proposed amendments to Rule 219 and Rule 222 are determined to be exempt from CEQA; and

WHEREAS, the SCAQMD Governing Board finds and determines that it can be seen with certainty that there is no possibility that the proposed project may have any significant effects on the environment, and is therefore, exempt from CEQA pursuant to CEQA Guidelines § 15061(b)(3) – Activities Covered By General Rule; and

WHEREAS, SCAQMD staff has prepared a Notice of Exemption for the proposed project, that is completed in compliance with CEQA Guidelines § 15062 – Notice of Exemption; and

WHEREAS, the Notice of Exemption, the May 5, 2017 SCAQMD Governing Board letter, and other supporting documentation were presented to the

SCAQMD Governing Board and the SCAQMD Governing Board has reviewed and considered the entirety of this information prior to approving the project; and

WHEREAS, the SCAQMD Governing Board has determined that the Socioeconomic Impact Assessment evaluating the proposed amendments to Rule 219 and Rule 222 are consistent with the Governing Board March 17, 1989 and October 14, 1994 resolutions and the provisions of the Health and Safety Code sections 40440.8, 40728.5 and 40920.6; and

WHEREAS, the SCAQMD Governing Board has determined that the Socioeconomic Impact Assessment of Proposed Amended Rule 219 and Rule 222 will result in a net cost increase to affected facilities, yet are considered reasonable with a total annualized cost as specified in the Socioeconomic Impact Assessment; and

WHEREAS, the SCAQMD Governing Board has determined that the Socioeconomic Impact Assessment of the proposed amendments to Rule 219 and Rule 222 are consistent with the Governing Board March 17, 1989 and October 14, 1994 resolutions and the provisions of the Health and Safety Code sections 40440.8, 40728.5 and 40920.6; and

WHEREAS, Proposed Amended Rule 219 and Proposed Amended Rule 222 are not control measures in the 2016 Air Quality Management Plan (AQMP) and thus, were not ranked by cost-effectiveness relative to other AQMP control measures in the 2016 AQMP; and

WHEREAS, the SCAQMD Governing Board obtains its authority to adopt these proposed amended rules pursuant to sections 39002, 40000, 40001, 40440, 41508 and 42300 of the Health and Safety Code; and

WHEREAS, the SCAQMD Governing Board has determined that a need exists to amend Rule 219 in order to exempt several types of equipment that have been evaluated and found to emit small amounts of air contaminants; the SCAQMD Governing Board has determined that a need exists to include new and clarified rule language for various types of equipment; and

WHEREAS, the SCAQMD Governing Board has determined that a need exists to amend Rule 222 in order to incorporate several types of equipment that have been evaluated and found to emit small amounts of air contaminants; and

WHEREAS, the SCAQMD Governing Board has determined that the proposed amendments to Rule 219 and Rule 222 are written and displayed so that the meaning can be easily understood by persons directly affected by them; and

WHEREAS, the SCAQMD Governing Board has determined that Rule 219 and Rule 222, as proposed to be amended, are both in harmony with and not in conflict with or contradictory to, existing statutes, court decisions, or state or federal regulations; and

WHEREAS, the SCAQMD Governing Board has determined that Rule 219 and Rule 222, as proposed to be amended, do not impose the same requirements as any existing state or federal regulation, and the proposed amended rules are necessary and proper to execute the powers and duties granted to, and imposed upon, the SCAQMD; and

WHEREAS, the SCAQMD Governing Board has determined that Rule 219 and Rule 222, as proposed to be amended, reference the following statutes which the SCAQMD hereby implements, interprets or makes specific: Health and Safety Code section 40001(a) and (b) (air quality standards and air pollution episodes), section 40440 (adoption of rules and regulations), 40701 (rules regarding district's authority to collect information), section 40702 (adoption of rules and regulations), and section 40440 (rules and regulations to carry out the air quality management plan and to require regarding district's authority to collect information), 41508 (authority over non-vehicular sources), 41511 (rules for determination of emissions), 42300 et seq. (authority for permit system), and 42320 (rules implementing the Air Pollution Permit Streamlining Act of 1992); and 42301.16 (permit requirements for agricultural sources) and California Code of Regulations, Title 17, Sections 93115.3(a) and 93115.8(c); and

WHEREAS, a public workshop was held in accordance with all provisions of law; and

WHEREAS, a public hearing has been properly noticed in accordance with all provisions of Health and Safety Code section 40725; and

WHEREAS, the SCAQMD Governing Board has held a public hearing in accordance with all provisions of law; and

WHEREAS, the SCAQMD specifies the Manager of Administrative/New Source Review/PM Control Strategies for Rule 219 and Rule 222 as the custodian of the documents or other materials which constitute the record of proceedings upon which the adoption of these proposed amendments is based, which are located at the South Coast Air Quality Management District, 21865 Copley Drive, Diamond Bar, California, and;

WHEREAS, the SCAQMD Governing Board has determined the proposed amendments to Rule 219 and Rule 222, should be adopted for the reasons contained in the Final Staff Report, and

NOW, THEREFORE, BE IT RESOLVED, that the SCAQMD Governing Board does hereby determine, pursuant to the authority granted by law, that the proposed amendments to Rule 219 and Rule 222 are exempt from CEQA pursuant to CEQA Guidelines § 15002(k) – General Concepts, and § 15061(b)(3) – Activities Covered By General Rule. This information was presented to the SCAQMD Governing Board, whose members reviewed, considered, and approved the information therein prior to acting on the proposed amendments to Rule 219 and Rule 222; and

BE IT FURTHER RESOLVED, that the SCAQMD Governing Board does hereby direct staff to submit into the State Implementation Plan a listing of new source categories of equipment that are newly exempt pursuant to this amendment to Rule 219 and a listing of new source categories of equipment that are required to obtain a written permit pursuant to this amendment to Rule 219 and a listing of new source categories of equipment that are required to be registered pursuant to this amendment to Rule 222, to further ensure the additions of newly added equipment comply with state law; and

BE IT FURTHER RESOLVED, that the Governing Board directs staff to work with the United States Environmental Protection Agency (U.S. EPA), California Air Resources Board (CARB) and interested stakeholders to introduce proposed amendments to Rule 1178 - Further Reductions of VOC Emissions from Storage Tanks at Petroleum Facilities within the first quarter of 2018 to incorporate VOC emission control technologies for guidepoles in a floating roof tank, as recognized by U.S. EPA including the Storage Tank Emission Reduction Partnership Program (STERPP). The Governing Board also directs staff to explore various mechanisms to minimize permitting impacts when addressing VOC control technologies for guidepoles in a floating roof tank that are recognized in any amendment to Rule 1178, including a possible Rule 219 exemption; and

BE IT FURTHER RESOLVED, that the SCAQMD Governing Board does hereby adopt, pursuant to the authority granted by law, the proposed amendments to Rule 219 and Rule 222, as set forth in the attached, and incorporated herein by this reference.

DATE

CLERK OF THE BOARDS

ATTACHMENT F
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

RULE 219 EQUIPMENT NOT REQUIRING A WRITTEN PERMIT
PURSUANT TO REGULATION II

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(Adopted Jan. 9, 1976)(Amended Oct. 8, 1976)(Amended February 2, 1979)
(Amended Oct. 5, 1979)(Amended Sept. 4, 1981)(Amended June 3, 1988)
(Amended September 11, 1992)(Amended August 12, 1994)
(Amended December 13, 1996)(Amended September 11, 1998)
(Amended August 13, 1999)(Amended May 19, 2000)
(Amended November 17, 2000)(Amended July 11, 2003)
(Amended December 3, 2004)(Amended May 5, 2006)(Amended July 14, 2006)
(Amended June 1, 2007)(Amended May 3, 2013)
(Proposed Amended May 5, 2017)

**RULE 219 - EQUIPMENT NOT REQUIRING A WRITTEN PERMIT
PURSUANT TO REGULATION II**

Purpose

The purpose of this rule is to identify equipment, processes, or operations that emit small amounts of air contaminants that shall not require written permits, unless such equipment, process or operation is subject to subdivision (s) – Exceptions. In addition, exemption from written permit requirements in this rule is only applicable if the equipment, process, or operation is in compliance with subdivision (t).

Written permits are not required for:

(a) Mobile Equipment

- (1) motor vehicle or vehicle as defined by the California Vehicle Code; or
- (2) marine vessel as defined by Health and Safety Code Section 39037.1; or
- (3) a motor vehicle or a marine vessel that uses one internal combustion engine to propel the motor vehicle or marine vessel and operate other equipment mounted on the motor vehicle or marine vessel; or
- (4) equipment which is mounted on a vehicle, motor vehicle or marine vessel if such equipment does not emit air contaminants;
- (5) asphalt pavement heaters (which are any mobile equipment used for the purposes of road maintenance and new road construction) provided a filing pursuant to Rule 222 is submitted to the Executive Officer.

This subdivision does not apply to air contaminant emitting equipment which is mounted and operated on motor vehicles, marine vessels, mobile hazardous material treatment systems, mobile day tankers [except those carrying solely fuel oil with an organic vapor pressure of 5 mm Hg (0.1 psi) absolute or less at 21.1 °C (70 °F)].

(b) Combustion and Heat Transfer Equipment

- (1) Internal combustion engines with a manufacturer's rating of 50 brake horsepower or less; or internal combustion engines, used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, with a manufacturer's rating of 100 brake horsepower or less and are fired exclusively on diesel #2 fuel, compressed natural gas (CNG) or liquefied petroleum gas (LPG); or stationary gas turbine engines including micro-turbines, with a rated maximum heat input capacity of 3,500,000 British thermal units (Btu) per hour or less, provided that the cumulative power output of all such engines at a facility is less than two megawatts, and that the engines are certified at the time of manufacture with the state of California or were in operation prior to May 3, 2013 provided a filing pursuant to Rule 222 is submitted to the Executive Officer.
- (2) Boilers, process heaters, or any combustion equipment that has a rated maximum heat input capacity of 2,000,000 Btu per hour (gross) or less and are equipped to be heated exclusively with natural gas, methanol, liquefied petroleum gas, or any combination thereof; or diesel fueled boilers, that have a rated maximum heat input capacity of 2,000,000 Btu per hour or less, are fueled exclusively with diesel #2 fuel, and are located more than 4,000 feet above sea level or more than 15 miles offshore from the mainland, and where the maximum NO_x emission output of the equipment is less than one pound per day and uses less than 50 gallons of fuel per day, and have been in operation prior to May 3, 2013 provided a filing pursuant to Rule 222 is submitted to the Executive Officer. This exemption does not apply to internal combustion engines or turbines. This exemption does not apply whenever there are emissions other than products of combustion, ~~unless the equipment is specifically exempt under another section of this rule, except~~ for food ovens with a rated maximum heat input capacity of 2,000,000 Btu/hour or less, that are fired exclusively on natural gas and where the process VOC emissions from yeast fermentation are less than one pound per day, and provided a filing pursuant to Rule 222 is submitted to the Executive Officer.
- (3) Portable diesel fueled heaters, with a rated maximum heat input capacity of 250,000 Btu per hour or less, and that are equipped with burner(s) designed to fire exclusively on diesel fuel only provided a filing pursuant to Rule 222 is submitted to the Executive Officer.

- (4) Power pressure washers and hot water or steam washers and cleaners, that are equipped with a heater or burner that is designed to be fired on diesel fuel, has a rated maximum heat input capacity of 550,000 Btu per hour or less, is equipped with non-resettable chronometer, and the maximum NOx emission output of the equipment is less than one pound per day and uses no more than 50 gallons of fuel per day provided a filing pursuant to Rule 222 is submitted to the Executive Officer. This exemption does not apply to internal combustion engines or turbines.
 - (5) Fuel cells, which produce electricity in an electro-chemical reaction and use phosphoric acid, molten carbonate, proton exchange membrane, or solid oxide technologies; and associated heating equipment, provided the heating equipment:
 - (A) does not use a combustion source; or
 - (B) notwithstanding paragraph (b)(2), is fueled exclusively with natural gas, methanol, liquefied petroleum gas, or any combination thereof, including heaters that have a rated maximum heat input capacity of greater than 2,000,000 Btu per hour, provided that the supplemental heat used is 90,000 therms per year or less and provided a filing pursuant to Rule 222 is submitted to the Executive Officer.
 - (6) Test cells and test stands used for testing burners or internal combustion engines provided that the equipment uses less than 800 gallons of diesel fuel and 3,500 gallons of gasoline fuel per year, or uses other fuels with equivalent or less emissions.
 - (7) Internal combustion engines used exclusively for training at educational institutions.
 - (8) ~~Portable internal combustion engines, including any turbines qualified as military tactical support equipment under Health and Safety Code Section 41754, registered pursuant to the California Statewide Portable Engine Registration Program~~equipment, pursuant to subdivision paragraph (r)(1).
- (c) Structures and Equipment - General
- (1) Structural changes which cannot change the quality, nature or quantity of air contaminant emissions.
 - (2) Repairs or maintenance not involving structural changes to any equipment for which a permit has been granted.

- (3) Identical replacement in whole or in part of any equipment where a permit to operate had previously been granted for such equipment under Rule 203, except seals for external or internal floating roof storage tanks.
 - (4) Replacement of floating roof tank seals provided that the replacement seal is of a type and model which the Executive Officer has determined is capable of complying with the requirements of Rule 463.
 - (5) Equipment utilized exclusively in connection with any structure which is designed for and used exclusively as a dwelling for not more than four families, and where such equipment is used by the owner or occupant of such a dwelling. This exemption does not include non-emergency internal combustion engines used to provide prime power for the structure.
 - (6) Laboratory testing and quality control testing equipment used exclusively for chemical and physical analysis, non-production bench scale research equipment, and control equipment exclusively venting such equipment. Laboratory testing equipment does not include engine test stands or test cells unless such equipment is also exempt pursuant to paragraph (b)(4).
 - (7) Vacuum-producing devices used in laboratory operations or in connection with other equipment not requiring a written permit.
 - (8) Vacuum-cleaning systems used exclusively for industrial, commercial, or residential housekeeping purposes.
 - (9) Hoods, stacks, or ventilators.
 - (10) Passive and intermittently operated active venting systems used at and around residential structures to prevent the accumulation of naturally occurring methane and associated gases in enclosed spaces.
 - (11) Sub-slab Ventilation systems including associated air pollution control equipment with an aggregate flow rate of less than 200 standard cubic feet per minute (scfm) where vacuum suction pits do not penetrate more than 18 inches below the bottom of the slab, provided the inlet total organic compounds concentration does not exceed 15 ppmv, measured as hexane, and provided the ventilations system is connected to air pollution control equipment consisting of a carbon adsorber sized to handle at least 200 scfm, or equivalent air pollution control.
- (d) Utility Equipment - General
- (1) Comfort air conditioning or ventilating systems which are not designed or used to remove air contaminants generated by, or released from, specific

equipment units, provided such systems are exempt pursuant to paragraph (b)(2).

- (2) Refrigeration units except those used as or in conjunction with air pollution control equipment.
- (3) Water cooling towers and water cooling ponds, both not used for evaporative cooling of process water or ~~not~~ used for evaporative cooling of water from barometric jets or from barometric condensers and in which no chromium compounds are contained, including:
 - (A) Cooling towers used for comfort cooling; and
 - (B) Industrial cooling towers located in a chemical plant, refinery or other industrial facility, provided a filing pursuant to Rule 222 is submitted to the Executive Officer.
- (4) Equipment used exclusively to generate ozone and associated ozone destruction equipment for the treatment of cooling tower water or for water treatment processes.
- (5) Equipment used exclusively for steam cleaning provided such equipment is also exempt pursuant to paragraph (b)(2).
- (6) Equipment used exclusively for space heating provided such equipment is exempt pursuant to paragraph (b)(2).
- (7) Equipment used exclusively to compress or hold purchased quality natural gas, except internal combustion engines not exempted pursuant to paragraph (b)(1).
- (8) Emergency ventilation systems used exclusively to scrub ammonia from refrigeration systems during process upsets or equipment breakdowns.
- (9) Emergency ventilation systems used exclusively to contain and control emissions resulting from the failure of a compressed gas storage system.
- (10) Passive carbon adsorbers, with a maximum vessel capacity of no more than 120 gallons, without mechanical ventilation, and used exclusively for odor control at wastewater treatment plants, food waste slurry storage tanks, or sewer collection systems, including sanitary sewers, manholes, and pump stations.
- (11) Refrigerant recovery and/or recycling units. This exemption does not include refrigerant reclaiming facilities.
- (12) Carbon arc lighting equipment provided such equipment is exempt pursuant to paragraph (b)(1).

- (e) Glass, Ceramic, Metallurgical Processing, and Fabrication Equipment
- (1) Crucible-type or pot-type furnaces with a brimful capacity of less than 7400 cubic centimeters (452 cubic inches) of any molten metal and control equipment exclusively venting the equipment.
 - (2) Crucible furnaces, pot furnaces, or induction furnaces with a capacity of 450 kilograms (992 pounds) or less each, and control equipment used to exclusively vent the equipment where no sweating or distilling is conducted and where only the following materials are poured or held in a molten state:
 - (A) Aluminum or any alloy containing over 50 percent aluminum,
 - (B) Magnesium or any alloy containing over 50 percent magnesium,
 - (C) Tin or any alloy containing over 50 percent tin,
 - (D) Zinc or any alloy containing over 50 percent zinc,
 - (E) Copper or any alloy containing over 50 percent copper,
 - (F) Precious metals, and
 - (G) Ceramic materials, including glass and porcelain.Provided these materials do not contain alloying elements of arsenic, beryllium, cadmium, chromium and/or lead and such furnaces are exempt pursuant to paragraph (b)(2).
 - (3) Molds used for the casting of metals and control equipment used to exclusively vent the equipment.
 - (4) Inspection equipment used exclusively for metal, plastic, glass, or ceramic products and control equipment used to exclusively vent such equipment.
 - (5) Ovens used exclusively for curing potting materials or castings made with epoxy resins, provided such ovens are exempt pursuant to paragraph (b)(2).
 - (6) Hand-held or automatic brazing and soldering equipment, and control equipment that exclusively vents such equipment, provided that the equipment uses one quart per day or less or 22 quarts per calendar month or less of material containing VOC. This exemption does not include hot oil, hot air, or vapor phase solder leveling equipment and related control equipment.
 - (7) Brazing ovens where no volatile organic compounds (except flux) are present in the materials processed in the ovens, provided such ovens are exempt pursuant to paragraph (b)(2).
 - (8) Welding equipment, oxygen gaseous fuel-cutting equipment, hand-held plasma-arc cutting equipment, hand-held laser cutting equipment, laser etching or engraving equipment, ~~engraving of metal equipment~~ and

associated air pollution control equipment. This exemption does not include cutting equipment described in this paragraph ~~plasma arc cutting equipment or laser cutting equipment~~ that is used to cut stainless steel, or alloys containing 0.1% by weight or more of chromium, nickel, cadmium or lead, unless the equipment is used exclusively for maintenance or repair operations. In addition this exemption does not include, ~~or laser cutters cutting, etching and engraving equipment~~ that are rated more than 400 watts, ~~and control equipment venting such equipment.~~

- (9) Sintering equipment used exclusively for the sintering of metal (excluding lead) or glass where no coke or limestone is used, and control equipment exclusively venting such equipment, provided such equipment is exempt pursuant to paragraph (b)(2).
- (10) Mold forming equipment for foundry sand to which no heat is applied, and where no volatile organic materials are used in the process, and control equipment used to exclusively vent such equipment.
- (11) Metal forming equipment or equipment used for heating metals for forging, rolling, pressing, or drawing of metals provided that any lubricants used have 50 grams or less of VOC per liter of material or a VOC composite partial pressure of 20 mm Hg or less at 20 °C (68 °F) provided such heaters are exempt pursuant to paragraph (b)(2) and control equipment exclusively venting the equipment.
- (12) Heat treatment equipment and associated water quench tanks used exclusively for heat treating glass or metals (provided no volatile organic compounds materials are present), or equipment used exclusively for case hardening, carburizing, cyaniding, nitriding, carbonitriding, siliconizing or diffusion treating of metal objects, provided any combustion equipment involved is exempt pursuant to paragraph (b)(2).
- (13) Ladles used in pouring molten metals.
- (14) Tumblers used for the cleaning or deburring of solid materials, and associated air pollution control equipment.
- (15) Die casting machines, except those used for copper base alloys, those with an integral furnace having a brimful capacity of more than 450 kg (992 lbs.), or those using a furnace not exempt pursuant to paragraph (b)(2).
- (16) Furnaces or ovens used for the curing or drying of porcelain enameling, or vitreous enameling provided such furnaces or ovens are exempt pursuant to paragraph (b)(2).

- (17) Wax burnout kilns where the total internal volume is less than 0.2 cubic meter (7.0 cubic feet) or kilns used exclusively for firing ceramic ware, provided such kilns are exempt pursuant to paragraph (b)(2) and control equipment used to exclusively vent the equipment.
 - (18) Shell-core and shell-mold manufacturing machines.
 - (19) Furnaces used exclusively for melting titanium materials in a closed evacuated chamber where no sweating or distilling is conducted, provided such furnaces are exempt pursuant to paragraph (b)(2).
 - (20) Vacuum metallizing chambers which are electrically heated or heated with equipment that is exempt pursuant to paragraph (b)(2), and control equipment used to exclusively vent such equipment, provided the control equipment is equipped with a mist eliminator or the vacuum pump used with control equipment demonstrates operation with no visible emissions from the vacuum exhaust.
 - (21) Notwithstanding the exemptions in paragraph (e)(12), equipment existing as of [date of adoption] that is subject to the exemption in paragraph (e)(12) that is an integral part of an operation requiring a written permit shall continue to be exempt, provided the equipment is identified, described in detail and submitted for inclusion into the permit equipment description with any associated application for Permit to Construct or Permit to Operate. Equipment described in this paragraph includes, but is not limited to quench tanks that are part of a heat treating operation.
- (f) Abrasive Blasting Equipment
- (1) Blast cleaning cabinets in which a suspension of abrasive in water is used and control equipment used to exclusively vent such equipment.
 - (2) Manually operated abrasive blast cabinet, vented to a dust-filter where the total internal volume of the blast section is 1.5 cubic meters (53 cubic feet) or less, and any dust filter exclusively venting such equipment.
 - (3) Enclosed equipment used exclusively for shot blast removal of flashing from rubber and plastics at sub-zero temperatures and control equipment exclusively venting such equipment.
 - (4) Shot peening operations, flywheel type and control equipment used to exclusively vent such equipment.

- (5) Portable sand/water blaster equipment and associated internal combustion engine provided the water in the mixture is 66 percent or more by volume is maintained during operation of such equipment. Internal combustion engines must be exempt pursuant to paragraph (b)(1).
- (g) ~~Machining~~ Mechanical Equipment
- (1) Equipment used exclusively for buffing (except tire buffers), polishing, carving, mechanical cutting, drilling, machining, pressing, routing, sanding, stamping, surface grinding or turning provided that any lubricants, coolants, or cutting oils used have 50 grams or less of VOC per liter of material or a VOC composite partial pressure of 20 mm Hg or less at 20 °C (68 °F) and control equipment used to exclusively vent such equipment. This exemption does not include asphalt pavement grinders, or portable asphalt recycling equipment.
- (2) Wood Products: Equipment used exclusively for shredding of wood, or the extruding, handling, or storage of wood chips, sawdust, or wood shavings and control equipment used to exclusively vent such equipment, provided the source of the wood does not include wood that is painted or treated for exterior exposure, or wood that is comingled with other construction and demolition materials. This exemption does not include internal combustion engines over 50 bhp, which are used to supply power to such equipment. In addition, this exemption does not include the shredding, extruding, handling or storage of any organic waste material generated from gardening, agricultural, or landscaping activities including, but not limited to, leaves, grass clippings, tree and shrub trimmings and plant remains.
- (3) Equipment used exclusively to mill or grind coatings or molding compounds where all materials charged are in the paste form.
- (4) Equipment used for separation or segregation of plastic materials intended for recycling, provided there is no mechanical cutting, shredding or grinding and where no odors are emitted.
- (h) Printing and Reproduction Equipment
- (1) Printing and related coating and/or laminating equipment and associated dryers and curing equipment, as well as associated air pollution control equipment, provided such dryers and curing equipment are exempt pursuant

to paragraph (b)(2), and air pollution control equipment is not required for source specific rule compliance, and provided that:

- (A) the VOC emissions from such equipment (including clean-up) are three pounds per day or less or 66 pounds per calendar month or less; or
- (B) the total quantity of plastisol type inks, coatings and adhesives and associated VOC containing solvents (including clean-up) used is six (6) gallons per day or less or 132 gallons per calendar month or less; or
- ~~(C) the total quantity of UV or electron beam type (non-solvent based and non-waterborne) inks, coatings, and adhesives, fountain solutions (excluding water) and associated VOC containing solvents (including clean-up) is six (6) gallons per day or less, or 132 gallons per calendar month or less; or~~
- (C) the total quantity of UV/EB/UV-LED curable, (UV/EB/LED) (non-solvent based and non-waterborne) inks, coatings, and adhesives, fountain solutions (excluding water) and associated VOC containing solvents (including clean-up) is six (6) gallons per day or less, or 132 gallons per calendar month or less; or
- ~~(D) the total quantity of inks, coatings and adhesives not specified in (B) or (C) or (C) above, fountain solutions (excluding water) and associated VOC containing solvents (including clean-up) used is two (2) gallons per day or less or 44 gallons per calendar month or less; or~~
- ~~(E) all inks, coatings and adhesives, fountain solutions, and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either:~~
 - ~~(i) a filing pursuant to Rule 222 is submitted to the Executive Officer; or~~
 - ~~(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is ~~records are~~ submitted to the Executive Officer for the preceding calendar year, in a format approved by the Executive Officer, to demonstrate~~

compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit in accordance with paragraph (u)(8).

If combination of the inks, coatings, and adhesives identified in (B), ~~(C)~~, (C) and and/or (D) are used in any equipment, this exemption is only applicable if the operations meet the criteria specified in (A) or ~~(E)~~, or the total usage of inks, coatings, adhesives, fountain solutions (excluding water) and associated VOC containing solvents (including cleanup) meets the most stringent applicable usage limit in (B), ~~(C)~~, (C) or (D). ~~For exemptions based on usage, solvent based UV and waterborne UV materials are subject to the usage limits in (D).~~ For exemptions based on usage, solvent based UV and waterborne UV materials are subject to the usage limits in (D). VOC emissions shall be determined using test methods approved by the District, CARB and U.S. EPA. In the absence of approved test methods, the applicant can submit VOC calculation procedures acceptable to the District.

- (2) Photographic process equipment by which an image is reproduced upon material sensitized by radiant energy and control equipment exclusively venting such equipment, excluding wet gate printing utilizing perchloroethylene and its associated control equipment.
 - (3) Lithographic printing equipment which uses laser printing.
 - (4) Printing equipment used exclusively for training and non-production at educational institutions.
 - (5) Flexographic plate making and associated processing equipment.
 - (6) Corona treating equipment and associated air pollution control equipment used for surface treatment in printing, laminating and coating operations.
 - (7) Hand application of materials used in printing operations including but not limited to the use of squeegees, screens, stamps, stencils, any hand tools, and associated air pollution control equipment used to exclusively vent the hand application of materials in printing operations unless such air pollution control equipment is required for source specific rule compliance.
- (i) Pharmaceuticals, Cosmetics, and Food Processing and Preparation Equipment
- (1) Smokehouses for preparing food in which the maximum horizontal inside cross-sectional area does not exceed 2 square meters (21.5 square feet) and control equipment exclusively venting the equipment.

- (2) Smokehouses exclusively using liquid smoke, and which are completely enclosed with no vents to either a control device or the atmosphere.
- (3) Confection cookers where products are edible and intended for human consumption, provided such equipment is exempt pursuant to (b)(2).
- (4) Grinding, blending, or packaging equipment used exclusively for tea, cocoa, roasted coffee, flavor, fragrance extraction, dried flowers, or spices, provided that the facility uses less than one gallon per day or twenty-two (22) gallons per month of VOC containing solvents, and control equipment used to exclusively vent such equipment.
- (5) Equipment used in eating establishments for the purpose of preparing food for human consumption.
- (6) Equipment used to convey or process materials in bakeries or used to produce noodles, macaroni, pasta, food mixes, and drink mixes where products are edible and intended for human consumption provided that the facility uses less than one gallon per day or twenty-two (22) gallons per month of VOC containing solvents, and control equipment exclusively venting such equipment. This exemption does not include storage bins located outside buildings, or equipment not exempt pursuant to paragraph (b)(2).
- (7) Cooking kettles where the entire product in the kettle is edible and intended for human consumption. This exemption does not include deep frying equipment used in facilities other than eating establishments.
- (8) Coffee roasting equipment with a maximum capacity of ~~40 pounds~~ 15 kilograms or less, and control equipment used to exclusively vent the equipment.
- (9) Equipment used exclusively for tableting, or packaging vitamins, or coating vitamins, herbs, or dietary supplements provided that the equipment uses waterborne solutions that contain a maximum VOC content of no more than 25 grams per liter, or the facility uses less than one gallon per day or twenty-two (22) gallons per month of VOC containing solvents, and control equipment used exclusively to vent such equipment.
- (10) Equipment used exclusively for tableting or packaging pharmaceuticals and cosmetics, or coating pharmaceutical tablets, provided that the equipment uses waterborne solutions that contain a maximum VOC content of no more than 25 grams per liter, or the facility uses less than one gallon per day or

- twenty-two (22) gallons per month of VOC containing solvents, and control equipment used exclusively to vent such equipment.
- (11) Modified atmosphere food packaging equipment using mixture of gases of no more than 0.4% of carbon monoxide by volume.
 - (12) Charbroilers, barbecue grills, and other underfired grills fired on solid or gaseous fuels used in multi-family residential units only if used by the owner or occupant of such dwelling for non-commercial purposes.
 - (13) Equipment used to brew beer for human consumption at breweries that produce less than 1,000,000 gallons of beer per calendar year and associated equipment cleaning, provided all equipment used in the manufacturing operation is exempt pursuant to paragraph (b)(2). This exemption does not apply to boilers or silos.
 - (14) Equipment used to manufacture dehydrated meat for human or pet consumption, provided non-combustion VOC and PM emissions, including emissions from materials used for cleaning are each one pound per day or less, and the operating temperature is less than 190 degrees Fahrenheit for dehydrating ovens, and provided such equipment is either fired exclusively on natural gas with a maximum heat input capacity of 2,000,000 Btu/hour or less, or is electric is exempt pursuant to paragraph (b)(2).
- (j) **Plastics, Composite, and Rubber Processing Equipment**
- (1) Presses or molds used for curing, post curing, or forming composite products and plastic products where no VOC or chlorinated blowing agent is present, and control equipment is used exclusively to vent these presses or molds.
 - (2) Presses or molds with a ram diameter of less than or equal to 26 inches used for curing or forming rubber products and composite rubber products excluding those operating above 400 °F.
 - (3) Ovens used exclusively for the forming of plastics or composite products, where no foam forming or expanding process is involved.
 - (4) Equipment used exclusively for softening or annealing plastics, provided such equipment is exempt pursuant to paragraph (b)(2). This exemption does not include equipment used for recycling of expanded polystyrene.
 - (5) Extrusion equipment used exclusively for extruding rubber products or plastics where no organic plasticizer is present, or for pelletizing

polystyrene foam scrap, except equipment used to extrude or to pelletize acrylics, polyvinyl chloride, polystyrene, and their copolymers.

- (6) Injection or blow molding equipment for rubber or plastics where no blowing agent is used, or where other than only compressed air, water or carbon dioxide is used as a blowing agent, and control equipment used to exclusively vent such equipment.
- (7) Mixers, roll mills and calendars for rubber or plastics where no material in powder form is added and no VOC containing solvents, diluents or thinners are used.
- (8) Ovens used exclusively for the curing of vinyl plastisols by the closed-mold curing process, provided such ovens are exempt pursuant to paragraph (b)(2).
- (9) Equipment used exclusively for conveying and storing plastic materials, provided they are not in powder form and control equipment exclusively venting the equipment.
- (10) Hot wire cutting of expanded polystyrene foam and woven polyester film.
- (11) Photocurable stereolithography equipment and associated post curing equipment.
- (12) Laser sintering equipment used exclusively for the sintering of nylon or plastic powders and control equipment exclusively venting such equipment, provided such equipment is exempt pursuant to paragraph (b)(2).
- (13) Roller to roller coating systems that create 3-dimensional images provided:
 - (A) the VOC emissions from such equipment (including cleanup) are three (3) pounds per day or less or 66 pounds per calendar month or less; or
 - (B) the coatings contain twenty five (25) grams or less of VOC per liter of material provided that the coating used on such equipment is 12 gallons per day or less or 264 gallons per calendar month or less; or
 - (C) the coatings contain fifty (50) grams or less of VOC per liter of material, and using exclusively cleanup solvents containing twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided a filing pursuant to Rule 222 is submitted to the Executive Officer.

VOC emissions shall be determined using test methods approved by the District, CARB and U.S. EPA. In the absence of approved test methods,

the applicant can submit VOC calculation procedures acceptable to the District.

- (k) **Mixing, Blending, and Packaging Equipment**
 - (1) Batch mixers, which have a brimful capacity of 55 gallons or less (7.35 cubic feet) and control equipment used exclusively to vent the equipment, and associated filling equipment.
 - (2) Equipment used exclusively for mixing and blending of materials where no VOC containing solvents are used and no materials in powder form are added, and associated filling equipment.
 - (3) Equipment used exclusively for mixing and blending of materials to make water emulsions of asphalt, grease, oils, or waxes where no materials in powder or fiber form are added.
 - (4) Equipment used to blend, grind, mix, or thin liquids to which powders may be added, with a capacity of 950 liters (251 gallons) or less, where no supplemental heat is added and no ingredient charged (excluding water) exceeds 135 °F and control equipment exclusively venting the equipment.
 - (5) Cosmetics filling stations where the filling equipment is hard piped to the cosmetics mixer or the holding tank feeding the filling equipment provided that the mixer and holding tank is exempt under this rule.
 - (6) Concrete mixers, with a rated working capacity of one cubic yard or less and control equipment used exclusively to vent the equipment.
 - (7) Equipment used exclusively for the packaging of lubricants or greases.
 - (8) Equipment used exclusively for the packaging of sodium hypochlorite-based household cleaning or sodium hypochlorite-based pool products and control equipment used exclusively to vent the equipment.
 - (9) Foam packaging equipment using twenty (20) gallons per day or less or 440 gallons per calendar month or less of liquid foam material or containing fifty (50) grams of VOC per liter of material, or less.
- (l) **Coating and Adhesive Process/Equipment**
 - (1) Equipment used exclusively for coating objects with oils, melted waxes or greases which contain no VOC containing materials, including diluents or thinners.

- (2) Equipment used exclusively for coating objects by dipping in waxes or natural and synthetic resins which contain no VOC containing materials including, diluents or thinners.
- (3) Batch ovens with 1.5 cubic meters (53 cubic feet) or less internal volume where no melting occurs, provided such equipment is exempt pursuant to paragraph (b)(2). This exemption does not include ovens used to cure vinyl plastisols or debond brake shoes.
- (4) Ovens used exclusively to cure 30 pounds per day or less or 660 pounds per calendar month or less of powder coatings, provided that such equipment is exempt pursuant to paragraph (b)(2).
- (5) Spray coating equipment operated within control enclosures.
- (6) Coating or adhesive application or laminating equipment such as air, airless, air-assisted airless, high volume low pressure (HVLP), air brushes, electrostatic spray equipment, roller coaters, dip coaters, vacuum coaters, flow coaters and spray machines provided that:
 - (A) the VOC emissions from such equipment (including clean-up) are three (3) pounds per day or less or 66 pounds per calendar month or less; or
 - ~~(B) the total quantity of UV or electron beam (non-solvent based and non-waterborne) coatings adhesives and associated VOC containing solvents (including clean-up) used in such equipment is six (6) gallons per day or less or 132 gallons per calendar month or less; or~~
 - (B) the total quantity of UV/EB/LED (non-solvent based and non-waterborne) coatings adhesives and associated VOC containing solvents (including clean-up) used in such equipment is six (6) gallons per day or less or 132 gallons per calendar month or less; or
 - ~~(C) the total quantity of organic solvent based coatings and adhesives and associated VOC containing solvents (including clean-up) used in such equipment is one (1) gallon per day or less or 22 gallons per calendar month or less; or~~
 - ~~(D) the total quantity of water reducible or waterborne coatings and adhesives and associated VOC containing solvents (including clean-up) used in such equipment is three (3) gallons per day or less or 66 gallons per calendar month or less; or~~
 - ~~(E) the total quantity of polyester resin and gel coat type materials and associated VOC containing solvents (including clean-up) used in~~

such equipment is one (1) gallon per day or less or 22 gallons per calendar month or less; or

~~(FEE)~~ all coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that :

(i) a filing pursuant to Rule 222 is submitted to the Executive Officer; or

(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is records are submitted to the Executive Officer for the preceding calendar year, in a format approved by the Executive Officer, to demonstrate compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit in accordance with paragraph (u)(8).

If combination of the coatings, adhesives and polyester resin and gel coat type materials identified in (B), (C), ~~and/or~~ (D) ~~and/or~~ (E) ~~and/or~~ (E) are used in any equipment, this exemption is only applicable if the operations meet the criteria specified in (A) or ~~(FEE)~~, or the total usage of coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (including cleanup) meets the most stringent applicable limit in (B), (C), ~~or~~ (D) ~~or~~ (E) ~~or~~ (E). ~~For exemptions based on usage, solvent-based UV and waterborne UV materials are subject to the usage limits in (C) and (D), respectively. For exemptions based on usage, solvent-based UV and waterborne UV materials are subject to the usage limits in (C) and (D), respectively.~~ VOC emissions shall be determined using test methods approved by the District, CARB and U.S. EPA. In the absence of approved test methods, the applicant can submit VOC calculation procedures acceptable to the District.

- (7) Spray coating and associated drying equipment and control enclosures used exclusively for educational purposes in educational institutions.
- (8) Control enclosures with an internal volume of 27 cubic feet or less, provided that aerosol cans, air brushes, or hand applications are used exclusively.

- (9) Portable coating equipment and pavement stripers used exclusively for the application of architectural coatings, and associated internal combustion engines provided such equipment is exempt pursuant to subdivision (a) or paragraph (b)(1), and provided no supplemental heat is added during pavement striping operations.
- (10) Hand application of resins, adhesives, dyes, and coatings using devices such as brushes, daubers, rollers, and trowels.
- (11) Drying equipment such as flash-off ovens, drying ovens, or curing ovens associated with coating or adhesive application or laminating equipment provided the drying equipment is exempt pursuant to paragraph (b)(2), and provided that:
- (A) the total quantity of VOC emissions from all coating and/or adhesive application, and laminating equipment that the drying equipment serves is three (3) pounds per day or less or 66 pounds per calendar month or less; or
- ~~(B) the total quantity of UV or electron beam (non-solvent based and non-waterborne) coatings and adhesives, and associated VOC containing solvents (including clean-up) used in all coating and/or adhesive application, and laminating equipment that the drying equipment serves is six (6) gallons per day or less or 132 gallons per calendar month or less; or~~
- (B) the total quantity of UV/EB/LED (non-solvent based and non-waterborne) coatings and adhesives, and associated VOC containing solvents (including clean-up) used in all coating and/or adhesive application, and laminating equipment that the drying equipment serves is six (6) gallons per day or less or 132 gallons per calendar month or less; or
- ~~(C) the total quantity of solvent based coatings and adhesives and associated VOC containing solvents (including clean-up) used in all coating and/or adhesive application, and laminating equipment that the drying equipment serves is one (1) gallon per day or less or 22 gallons per calendar month or less; or~~
- ~~(D) the total quantity of water reducible or waterborne coating and adhesives and associated VOC containing solvents (including clean-up) used in all coating and/or adhesive application, and laminating~~

equipment that the drying equipment serves is three (3) gallons per day or less or 66 gallons per calendar month or less; or

~~(EDE)~~ the total quantity of polyester resin and gel coat type materials and associated VOC containing solvents (including clean-up) used in all coating, adhesive application, and laminating equipment that the drying equipment serves is one (1) gallon per day or less or 22 gallons per calendar month or less; or

~~(FEF)~~ all coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either:

(i) a filing pursuant to Rule 222 is submitted to the Executive Officer; or

(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is ~~records are~~ submitted to the Executive Officer for the preceding calendar year, in a format approved by the Executive Officer, to demonstrate compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit ~~in accordance with paragraph (u)(8).~~

If combination of the coatings, adhesives and polyester resin and gel coat type materials identified in (B), (C), ~~and/or (D) and/or (E) and/or (E)~~ are used in any equipment, this exemption is only applicable if the operations meet the criteria specified in (A) or ~~(FEF)~~, or the total usage of coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (including cleanup) meets the most stringent applicable limit in (B), (C), ~~or (D) or (E) or (E)~~. ~~For exemptions based on usage, solvent-based UV and waterborne UV materials are subject to the usage limits in (C) and (D), respectively. For exemptions based on usage, solvent-based UV and waterborne UV materials are subject to the usage limits in (C) and (D), respectively.~~ VOC emissions shall be determined using test methods approved by the District, CARB and US EPA. In the absence of approved test methods, the applicant can submit VOC calculation procedures acceptable to the District.

- (m) Storage and Transfer Equipment
- (1) Equipment used exclusively for the storage and transfer of fresh, commercial or purer grades of:
 - (A) Sulfuric acid or phosphoric acid with an acid strength of 99 percent or less by weight.
 - (B) Nitric acid with an acid strength of 70 percent or less by weight.
 - (C) Water based solutions of salts or sodium hydroxide.
 - (2) Equipment used exclusively for the storage and/or transfer of liquefied gases, not including:
 - (A) LPG greater than 10,000 pounds.
 - (B) Hydrogen fluoride greater than 100 pounds.
 - (C) Anhydrous ammonia greater than 500 pounds.
 - (3) Equipment used exclusively for the transfer of less than 75,700 liters (20,000 gallons) per day of unheated VOC containing materials, with an initial boiling point of 150 °C (302 °F) or greater, or with an organic vapor pressure of 5 mm Hg (0.1 psi) absolute or less at 21.1 °C (70 °F).
 - (4) Equipment used exclusively for the storage including dispensing of unheated VOC containing materials with an initial boiling point of 150 °C (302 °F) or greater, or with an organic vapor pressure of 5 mm Hg (0.1 psi) absolute or less at 21.1 °C (70 °F). This exemption does not include liquid fuel storage greater than 160,400 liters (40,000 gallons).
 - (5) Equipment used exclusively for transferring VOC containing liquids, materials containing VOCs, or compressed gases into containers of less than 225 liters (60 gallons) capacity, except equipment used for transferring more than 4,000 liters (1,057 gallons) of materials per day with a vapor pressure greater than 25.8 mm Hg (0.5 psia) at operating conditions.
 - (6) Equipment used exclusively for the storage and transfer of liquid soaps, liquid detergents, vegetable oils, fatty acids, fatty esters, fatty alcohols, waxes and wax emulsions.
 - (7) Equipment used exclusively for the storage and transfer of refined lubricating or hydraulic oils and control equipment used to exclusively vent such equipment.
 - (8) Equipment used exclusively for the storage and transfer of crankcase drainage oil and control equipment used to exclusively vent such equipment.

- (9) Equipment used exclusively for VOC containing liquid storage or transfer to and from such storage, of less than 950 liters (251 gallons) capacity or equipment used exclusively for the storage of odorants for natural gas, propane, or oil with a holding capacity of less than 950 liters (251 gallons) capacity and associated transfer and control equipment used exclusively for such equipment provided a filing pursuant to Rule 222 is submitted to the Executive Officer. This exemption does not include asphalt. In addition, this exemption does not apply to a group of more than one VOC-containing liquid or odorant tank where a single product is stored, where the combined storage capacity of all tanks exceeds 950 liters (251 gallons), and where the tanks are mounted on a shared mobile platform and stored at a facility.
- (10) Equipment used exclusively for the storage and transfer of "top white" (i.e., Fancy) or cosmetic grade tallow or edible animal fats intended for human consumption and of sufficient quality to be certifiable for United States markets.
- (11) Equipment, including tar pots (or tar kettles), used exclusively for the storage, holding, melting and transfer of asphalt or coal tar pitch with a maximum holding capacity of less than 600 liters (159 gallons); or equipment, including tar pots (or tar kettles), used exclusively for the storage, holding, melting and transfer of asphalt or coal tar pitch with a maximum holding capacity of no more than 3,785 liters (1,000 gallons), is equipped with burner(s) designed to fire exclusively on liquefied petroleum gases, and provided a filing pursuant to Rule 222 is submitted to the Executive Officer.
- (12) Pumps used exclusively for pipeline transfer of liquids.
- (13) Equipment used exclusively for the unheated underground storage of 23,000 liters (6,077 gallons) or less, and equipment used exclusively for the transfer to or from such storage of organic liquids with a vapor pressure of 77.5 mm Hg (1.5 psi) absolute or less at actual storage conditions.
- (14) Equipment used exclusively for the storage and/or transfer of an asphalt-water emulsion heated to 150 °F or less.
- (15) Liquid fuel storage tanks piped exclusively to emergency internal combustion engine-generators, turbines or pump drivers.
- (16) Bins used for temporary storage and transport of material with a capacity of 2,080 liters (550 gallons) or less.

- (17) Equipment used for material storage where no venting occurs during filling or normal use.
- (18) Equipment used exclusively for storage, blending, and/or transfer of water emulsion intermediates and products, including latex, with a VOC content of 5% by volume or less or a VOC composite partial pressure of 5 mm Hg (0.1 psi) or less at 20 °C (68 °F).
- (19) Equipment used exclusively for storage and/or transfer of sodium hypochlorite solution.
- (20) Equipment used exclusively for the storage of VOC containing materials which are stored at a temperature at least 130 °C (234 °F) below its initial boiling point, or have an organic vapor pressure of 5 mm Hg (0.1 psia) absolute or less at the actual storage temperature. To qualify for this exemption, the operator shall, if the stored material is heated, install and maintain a device to measure the temperature of the stored VOC containing material. This exemption does not include liquid fuel storage greater than 160,400 liters (40,000 gallons), asphalt storage, or coal tar pitch storage.
- (21) Stationary equipment used exclusively to store and/or transfer organic compounds that do not contain VOCs.
- (22) Unheated equipment including associated control equipment used exclusively for the storage and transfer of fluorosilicic acid at a concentration of 30% or less by weight and a vapor pressure of 24 mm Hg or less at 77 °F (25 °C). The hydrofluoric acid concentration within the fluorosilicic acid solution shall not exceed 1% by weight.
- (23) Equipment, including asphalt day tankers, used exclusively for the storage, holding, melting, and transfer of asphalt or coal tar pitch, that is mounted on a motor vehicle with a maximum holding capacity of less than 600 liters (159 gallons); or equipment, including asphalt day tankers, used exclusively for the storage, holding, melting, and transfer of asphalt or coal tar pitch, that is mounted on a motor vehicle, with a maximum holding capacity of no more than 18,925 liters (5,000 gallons), is equipped with burner(s) designed to fire exclusively on liquefied petroleum gases only, and provided a filing pursuant to Rule 222 is submitted to the Executive Officer.
- (24) Tanks for aqueous urea solutions with a capacity of 6,500 gallons or less, provided a filing pursuant to Rule 222 is submitted to the Executive Officer. This exemption does not include tanks used for blending powdered urea and water.

- (n) Natural Gas and Crude Oil Production Equipment
- (1) Well heads and well pumps-, provided a filing pursuant to Rule 222 is submitted to the Executive Officer.
 - (2) Crude oil and natural gas pipeline transfer pumps, provided a filing pursuant to Rule 222 is submitted to the Executive Officer for natural gas pipeline transfer pumps.-
 - (3) Gas, hydraulic, or pneumatic repressurizing equipment, provided a filing pursuant to Rule 222 is submitted to the Executive Officer for natural gas repressurizing equipment.-
 - (4) Equipment used exclusively as water boilers, water or hydrocarbon heaters, and closed heat transfer systems (does not include steam generators used for oilfield steam injection) that have:
 - (A) a maximum heat input rate of 2,000,000 Btu per hour or less, and
 - (B) been equipped to be fired exclusively with purchased quality natural gas, liquefied petroleum gas, produced gas which contains less than 10 ppm hydrogen sulfide, or any combination thereof.
 - (5) The following equipment used exclusively for primary recovery, and not associated with community lease units:
 - (A) Gas separators and boots.
 - (B) Initial receiving, gas dehydrating, storage, washing and shipping tanks with an individual capacity of 34,069 liters (9,000 gallons) or less.
 - (C) Crude oil tank truck loading facilities (does not include a loading rack), and gas recovery systems exclusively serving tanks exempted under subparagraph (n)(5)(B).
 - (D) Produced gas dehydrating equipment.
 - (6) Gravity-type oil water separators with a total air/liquid interfacial area of less than 45 square feet and the oil specific gravity of 0.8251 or higher (40.0 API or lower).

The following definitions will apply to subdivision (n) above:

PRIMARY RECOVERY - Crude oil or natural gas production from "free-flow" wells or from well units where only water, produced gas or purchased quality gas is injected to repressurize the production zone.

COMMUNITY LEASE UNITS - Facilities used for multiple-well units (three or more wells), whether for a group of wells at one location or for separate wells on adjoining leases.

SHIPPING TANKS - Fixed roof tanks, which operate essentially as "run down" tanks for separated crude oil where the holding time is 72 hours or less.

WASH TANKS - Fixed roof tanks which are used for gravity separation of produced crude oil/water, including single tank units, and which are used concurrently for receipt, separation, storage and shipment.

(o) Cleaning

The exemptions in this subdivision do not include any equipment using solvents that are greater than 5 percent by weight of perchloroethylene, methylene chloride, carbon tetrachloride, chloroform, 1,1,1-trichloroethane, trichloroethylene, or any combination thereof, with either a capacity of more than 7.6 liters (2 gallons) or was designed as a solvent cleaning and drying machine regardless of size. In addition, the exemptions specified in this subdivision apply only if the equipment is also exempt pursuant to paragraph (b)(2) of this rule.

(1) Cleaning equipment and associated waste storage tanks used exclusively to store the solutions drained from this equipment:

(A) unheated batch, provided:

- (i) the volume of the solvent reservoir is one (1) gallon or less, or
- (ii) the VOC emissions from the equipment are not more than 3 pounds per day or 66 pounds per calendar month.

(B) devices used for cleaning of equipment used for the application of inks, adhesives, and coatings provided:

- (i) the volume of the solvent reservoir is five (5) gallons or less, or
- (ii) the VOC emissions from the equipment are not more than three (3) pounds per day or 66 pounds per calendar month.

(C) remote reservoir cleaners, provided the solvent from the sink-like area immediately drains into an enclosed solvent container while the parts are being cleaned.

(2) Vapor degreasers with an air/vapor interface surface area of 1.0 square foot or less, provided such degreasers have an organic solvent loss of 3 gallons per day or less excluding water or 66 gallons per calendar month or less excluding water.

- (3) Cleaning equipment using materials with a VOC content of twenty-five (25) grams of VOC per liter of material, or less, and associated dryers exclusively serving these cleaners, provided such equipment is also exempt pursuant to paragraph (b)(2). This exemption does not include equipment used for cleaning of diesel particulate filters (DPF) or associated control equipment used to vent such equipment.
 - (4) Hand application of solvents for cleaning purposes including but not limited to the use of rags, daubers, swabs, and squeeze bottles as well as associated air pollution control equipment, unless air pollution control equipment is required for source specific rule compliance.
- (p) Miscellaneous Process Equipment
- (1) Equipment, including dryers, used exclusively for dyeing, stripping, or bleaching of textiles where no VOC containing materials, including diluents or thinners are used, provided such equipment is also exempt pursuant to paragraph (b)(2) and control equipment exclusively venting the equipment.
 - (2) Equipment used exclusively for bonding lining to brake shoes, where no VOC containing materials are used and control equipment exclusively venting such equipment.
 - (3) Equipment used exclusively to liquefy or separate oxygen, nitrogen, or the rare gases from air, except equipment not exempt pursuant to paragraph (b)(1) or (b)(2).
 - (4) Equipment used exclusively for surface preparation, including but not limited to paint stripping, pickling, desmutting, de-scaling, passivation, and/or deoxidation, and any water and associated rinse tanks and waste storage tanks exclusively to store the solutions drained from the equipment, that exclusively uses any one or combination of the ~~following~~ materials in subparagraphs (p)(4)(A) through (p)(4)(H). This exemption does not include any tank that contains chromium, or contains nickel, lead or cadmium and is rectified, sparged or heated.:
 - (A) organic materials containing 50 grams or less of VOCs per liter of material;
 - (B) formic acid, acetic acid, boric acid, citric acid, phosphoric acid, and sulfuric acids;
 - (C) hydrochloric acid in concentrations of 12 percent by weight or less;
 - (D) alkaline oxidizing agents;

- (E) hydrogen peroxide;
- (F) salt solutions, except for air-sparged, heated or rectified processes with salt solutions containing hexavalent chromium, chromates, dichromates, nickel, ~~or~~ cadmium, or lead;
- (G) sodium hydroxide, provided the process is not sparged or rectified; or
- (H) nitric acid, hydrochloric acid, or hydrofluoric acid, provided that the equipment in which it is used has an open surface area of one square foot or less, is unheated, and produces no visible emissions.

This exemption does not include chemical milling or circuit board etching using ammonia-based etchants.

- (5) Equipment used exclusively for the plating, stripping, or anodizing of metals as described ~~below~~ in subparagraphs (p)(5)(A) through (p)(5)(G). This exemption does not include any tank that contains chromium, or contains nickel, lead or cadmium and is rectified, sparged or heated.
 - (A) electrolytic plating of exclusively brass, bronze, copper, iron, tin, ~~lead~~, zinc, and precious metals;
 - (B) electroless nickel plating, provided that the process is not air-sparged and no electrolytic reverse plating occurs;
 - (C) the electrolytic stripping of brass, bronze, copper, iron, tin, zinc, and precious metals, provided no chromic, hydrochloric, nitric or sulfuric acid is used;
 - (D) the non-electrolytic stripping of metals, provided the stripping solution is not sparged and does not contain nitric acid.
 - (E) anodizing using exclusively sulfuric acid and/or boric acid with a total bath concentration of 20 percent acids or less by weight and using 10,000 amp-hours per day or less of electricity;
 - (F) anodizing using exclusively phosphoric acid with a bath concentration of 15 percent or less phosphoric acid by weight and using 20,000 amp-hours per day or less of electricity; or
 - (G) water and associated rinse tanks and waste storage tanks used exclusively to store the solutions drained from equipment used for the plating, stripping, or anodizing of metals.
- (6) Closed loop solvent recovery systems used for recovery of waste solvent generated on-site using refrigerated or liquid-cooled condenser, or air-

cooled (where the solvent reservoir capacity is less than 10 gallons) condenser.

- (7) Equipment used exclusively for manufacturing soap or detergent bars, including mixing tanks, roll mills, plodders, cutters, wrappers, where no heating, drying or chemical reactions occur.
- (8) Inert gas generators, except equipment not exempt pursuant to paragraph (b)(2).
- (9) Hammermills used exclusively to process aluminum and/or tin cans, and control equipment exclusively venting such equipment.
- (10) Paper shredding and carpet and paper shearing, fabric brushing and sueding as well as associated conveying systems, baling equipment, and control equipment venting such equipment. This exemption does not include carpet and fabric recycling operations.
- (11) Chemical vapor type sterilization equipment where no Ethylene Oxide is used, and with a chamber volume of two (2) cubic feet or less used by healthcare facilities and control equipment exclusively venting the equipment. This exemption does not include equipment used for incineration.
- (12) Hot melt adhesive equipment.
- (13) Pyrotechnic equipment, special effects or fireworks paraphernalia equipment used for entertainment purposes, provided such equipment is exempt pursuant to subdivision (b).
- (14) Ammunition or explosive testing equipment.
- (15) Fire extinguishing equipment using halons.
- (16) Industrial wastewater treatment equipment which only does pH adjustment, precipitation, gravity separation and/or filtration of the wastewater, including equipment used for reducing hexavalent chromium and/or destroying cyanide compounds. This exemption does not include treatment processes where VOC and/or toxic materials are emitted, or where the inlet concentration of cyanide salts through the wastewater treatment process prior to pH adjustment exceeds 200 mg/liter.
- (17) Rental equipment operated by a lessee and which is not located more than twelve consecutive months at any one facility in the District provided that the owner of the equipment has a permit to operate issued by the District and that the lessee complies with the terms and conditions of the permit to operate.

- (18) Industrial wastewater evaporators treating water generated from on-site processes only, where no VOC and/or toxic materials are emitted and provided that the equipment is exempt pursuant to paragraph (b)(2).
 - (19) Foam application equipment using two-component polyurethane foam where no VOC containing blowing agent is used, excluding chlorofluorocarbons or methylene chloride, and control equipment exclusively venting this equipment.
 - (20) Toner refilling and associated control equipment.
 - (21) Evaporator used at dry cleaning facilities to dispose of separator wastewater and control equipment exclusively venting the equipment.
 - (22) Equipment used to recycle aerosol cans by puncturing the can in an enclosed system which is vented through an activated carbon filter. This exemption shall only apply to aerosol recycling systems where the aerosol can to be recycled was used as part of their operation at the facility or from facilities under common ownership.
 - (23) Notwithstanding the exemptions in this subdivision (p), equipment existing as of [date of adoption] that is subject to the aforementioned exemptions and that is an integral part of an operation requiring a written permit shall continue to be exempt, provided the equipment is identified, described in detail and submitted for inclusion into the permit equipment description with any associated application for Permit to Construct or Permit to Operate. Equipment described in this paragraph includes, but is not limited to, rinse tanks, dye tanks and seal tanks that are part of a metal finishing operation, including but not limited to plating, anodizing and surface preparation.
- (q) Agricultural Sources
- (1) Notwithstanding the exemption under this subdivision, any internal combustion engines, or gasoline transfer and dispensing equipment purchased or modified after July 7, 2006 that are not exempt pursuant to paragraphs (b)(1), (b)(6), and (m)(9) of this rule shall be subject to permit requirements. Emergency internal combustion engines are exempt from permit requirements for these agricultural sources.
 - (2) Except as provided in paragraph (q)(1), agricultural permit units at agricultural sources not subject to Title V with actual emissions less than the amounts listed in the following table:

Table

Pollutant (Tons/Year)	South Coast Air Basin	Riverside County Portion of Salton Sea Air Basin	Riverside County Portion of Mojave Desert Air Basin
VOC	5.0	12.5	50.0
NOx	5.0	12.5	50.0
SOx	50.0 <u>35.0</u>	50.0 <u>35.0</u>	50.0
CO	25.0	50.0	50.0
PM10	35.0	35.0	50.0
Single Hazardous Air Pollutant	5.0	5.0	5.0
Combination Hazardous Air Pollutants	12.5	12.5	12.5

Emissions of fugitive dust and emissions from soil amendments and fertilizers are not to be counted when evaluating emissions for purposes of this subdivision.

- (3) Orchard wind machines powered by an internal combustion engine with a manufacturer’s rating greater than 50 brake horsepower provided the engine is operated no more than 30 hours per calendar year.
 - (4) Orchard heaters approved by the California Air Resources Board to produce no more than one gram per minute of unconsumed solid carbonaceous material.
- (r) Registered Equipment and Filing Program
- (1) Any portable equipment, including any turbines qualified as military tactical support equipment under Health and Safety Code Section 41754 ~~which is~~ registered in accordance with the Statewide Portable Equipment Registration Program (PERP) adopted pursuant to California Health and Safety Code Section 41750 et seq.
 - (2) PERP registered engines used in the Outer Continental Shelf (OCS), provided that:
 - (A) notification is submitted to the Executive Officer via submittal of a filing pursuant to Rule 222;
 - (B) the equipment shall not reside at one location for more than 12 consecutive months; and

- (C) notwithstanding the exemption applicability under Health and Safety Code §2451 of the Statewide Portable Equipment Registration Program (PERP) for engines operating in the OCS, all operators using this permit exemption shall comply with PERP and with California Air Resources Board-issued registration requirements.
- (3) PERP registered equipment operated at a RECLAIM Facility shall be classified as Major Source, Large Source or Process Units in accordance with Rule 2011 (c) and (d) for SOx emissions and Rule 2012 (c), (d) and (e) for NOx emissions for purposes of determining the applicable requirements for Monitoring, Reporting and Recordkeeping (MRR). Use of RECLAIM MRR Protocols for Rule 219 equipment as specified in Rule 2011 (Rule 2011 Protocol, Appendix A, Chapter 3, Subsection F) and Rule 2012 (Rule 2012 Protocol, Appendix A, Chapter 4, Subsection F) is only allowed if the registered PERP equipment also qualifies for an exemption from permit under a separate provision of this Rule.
- ~~(24)~~ Any equipment listed in Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II.
- (s) Exceptions
- Notwithstanding equipment identified in (a) through (r) of this rule, written permits are required pursuant to paragraphs (s)(1), ~~and (s)(2), and (s)(4),~~ and filings are required under Rule 222 pursuant to paragraph (s)(3):
- (1) Equipment, process materials or air contaminants subject to:
 - (A) Regulation IX – Standards of Performance for New Stationary Sources (NSPS); or
 - (B) Regulation X – National Emission Standards for Hazardous Air Pollutants (NESHAP - Part 61, Chapter I, Title 40 of the Code of Federal Regulations); or
 - (C) Emission limitation requirements of either the state Air Toxic Control Measure (ATCM) or NESHAP - Part 63, Title 40 of the Code of Federal Regulations; or
 - (2) Equipment when the Executive Officer has determined that:

(A) the risk will be greater than identified in subparagraph (d)(1)(A), or paragraphs (d)(2) or (d)(3) in Rule 1401 – New Source Review of Toxic Air Contaminants; or,

(B) the equipment may not operate in compliance with all applicable District Rules and Regulations, including but not limited to SCAQMD Rule 402 – Nuisance.

Once the Executive Officer makes such a determination and written notification is given to the equipment owner or operator, the equipment shall thereafter be subject to Rules 201 and 203 for non-RECLAIM sources, Rule 2006 for RECLAIM sources, and Regulation XXX – Title V Permits for major sources.

(3) The following equipment, processes or operations that are located at a single facility, which does not hold a written permit for any other equipment, processes or operations, and emit four (4.0) tons or more of VOCs in any Fiscal Year (July 1 to June 30) beginning July 1, 2007 or emitted four (4.0) tons or more of VOCs in the Fiscal Year July 1, 2006 – June 30, 2007. The four (4.0) ton per Fiscal Year threshold shall be calculated cumulatively for all categories of equipment, processes or operations listed in subparagraphs (A) through (C) below. One filing shall be required for all of the categories of equipment, processes or operations subject to this provision as listed in subparagraphs (A) through (C) below. Associated VOC emissions shall be reported under the Annual Emissions Reporting program and fees shall be paid pursuant to Rule 301, subdivision (tu).

(A) Printing operations individually exempted under paragraph (h)(1) and (h)(7).

(B) Coating or adhesive application or laminating equipment and devices individually exempted under paragraphs (l)(6) and (l)(10).

(C) Hand applications of VOC containing materials individually exempted under paragraph (o)(4).

(4) Equipment or control equipment subject to permitting requirements pursuant to Regulation XIV - Toxics and Other Non-criteria Pollutants.

(t) Recordkeeping

Any person claiming exemptions under the provisions of this Rule shall provide adequate records pursuant to Rule 109 and any applicable Material Safety Data Sheets (MSDS), to verify and maintain any exemption. Any test method used to

verify the percentages, concentrations, vapor pressures, etc., shall be the approved test method as contained in the District's Test Method Manual or any method approved by the Executive Officer, CARB, and the EPA.

(u) Compliance Date

- (1) The owner/operator of equipment previously not requiring a permit pursuant to Rule 219 shall comply with Rule 203 – Permit to Operate within one year from the date the rule is amended to remove the exemption unless compliance is required before this time by written notification by the Executive Officer. Effective on or after July 11, 2003 for purpose of Rule 301(e), emissions from equipment that has been removed from an exemption shall be considered “permitted” beginning January 1 or July 1, whichever is sooner, after Rule 219 is amended to remove the exemption, even if an application has not been submitted to obtain a permit.
- (2) Agricultural sources constructed or operating prior to January 1, 2004 requiring Title V permits shall submit Title V permit applications on or before June 29, 2004.
- (3) Existing agricultural permit units constructed or operating prior to January 1, 2004 at agricultural sources requiring Title V permits and requiring written permits pursuant to paragraph (q)(1) shall submit applications for a Permit to Operate by December 17, 2004. For the purpose of Rule 301(e), emissions from agricultural permit units subject to this paragraph shall be considered “permitted” July 1, 2005.
- (4) Existing agricultural permit units constructed or operating prior to January 1, 2004 at agricultural sources not subject to Title V with actual emissions equal to or greater than the amounts listed in the table in subdivision (q) and requiring written permits pursuant to paragraph (q)(2) shall submit applications for a Permit to Operate by June 30, 2005. For the purpose of Rule 301(e), emissions from agricultural permit units subject to this paragraph shall be considered “permitted” July 1, 2005.
- (5) Agricultural permit units built, erected, altered, modified, installed or replaced after January 1, 2004, but prior to January 1, 2005 if written permits are required pursuant to subdivision (q), shall submit applications for a Permit to Operate by March 5, 2005. For the purpose of Rule 301(e), emissions from agricultural permit units subject to this paragraph shall be considered “permitted” July 1, 2005.

- (6) Agricultural permit units built, erected, altered, modified, installed or replaced on or after January 1, 2005, if written permits are required pursuant to subdivision (q) shall comply with Rule 201. For the purpose of Rule 301(e), emissions from agricultural permit units subject to this paragraph shall be considered “permitted” July 1, 2005.
- (7) Notwithstanding paragraph (u)(1), effective [sixty days after date of amendment], an owner/operator submitting an application for Permit to Construct or Permit to Operate pursuant to Rules 201 or 203 shall comply with paragraphs (e)(21) and (p)(23).
- ~~(8) — Effective March 1, 2018 and every March 1 thereafter, the owner or operator of equipment exempt pursuant to subparagraphs (h)(1)(D), (l)(6)(E), or (l)(11)(E), kept in accordance with subdivision (t) in a format approved by the Executive Officer for the preceding calendar year to demonstrate compliance with material and cleanup solvent VOC content limits and the annual mass VOC emission limit.~~

ATTACHMENT G

(Adopted September 11, 1998)(Amended May 19, 2000)(Amended March 5, 2004)
(Amended December 5, 2008)(Amended May 3, 2013)
(Proposed Amended May 5, 2017)

RULE 222 FILING REQUIREMENTS FOR SPECIFIC EMISSION SOURCES NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II

(a) Purpose

The purpose of this rule is to provide an alternative to written permits. This rule requires owners/operators of specified emission sources to submit information regarding the source, including, but not limited to:

- (1) a description of the source;
- (2) data necessary to estimate emissions from the source; and
- (3) information to determine whether the equipment is operating in compliance with applicable District, state and federal rules and regulations.

(b) Applicability

- (1) This rule applies to owners/operators of the emission sources listed in Table 1, which are exempt from written permits pursuant to Rule 219, unless the Executive Officer determines that the source cannot operate in compliance with applicable rules and regulations. This rule also applies to agricultural diesel-fueled engines subject to the California Air Resources Board Airborne Toxic Control Measure (CARB ATCM) for Stationary Compression Ignition Engines. Owners/operators authorized to operate emission sources pursuant to this rule shall operate those emissions sources in compliance with any and all operating conditions imposed by the District.

TABLE I

SOURCE/EQUIPMENT	EFFECTIVE DATE
Boilers or Steam Generators & Process Heaters with a rated heat input capacity from 1,000,000 up to and including 2,000,000 Btu/hr and produce less than one pound of NO _x emissions per day, excluding equipment subject to Regulation XX – Regional Clean Air Incentives Market (RECLAIM).	1/1/2001
Commercial Charbroilers and associated air pollution control equipment.	1/1/1999
Negative Air Machines (Asbestos).	1/1/1999
Oil Production Well Group. <u>Natural gas and crude oil production equipment, including: well heads and well pumps; natural gas pipeline transfer pumps; and natural gas repressurizing equipment.</u>	1/1/2004 <u>5/5/2017</u>
Printing and related coating and/or laminating equipment and associated dryers and curing equipment exempt from a written permit pursuant to Rule 219 (h)(1)(EDE), <u>unless an annual low-VOC verification is records are submitted to the Executive Officer in accordance with Rule 219 (u)(8) (h)(1)(E)(ii).</u>	12/5/2008 <u>5/5/2017</u>
Roller to roller coating systems that create 3-dimensional images exempt from a written permit pursuant to Rule 219 (j)(13)(C).	12/5/2008
Coating or adhesive application, or laminating equipment exempt from a written permit pursuant to Rule 219 (l)(6)(FEF), <u>unless an annual low-VOC verification is records are submitted to the Executive Officer in accordance with Rule 219 (u)(8) (l)(6)(F)(ii).</u>	12/5/2008 <u>5/5/2017</u>
Drying equipment such as flash-off ovens, drying ovens, or curing ovens associated with coating or adhesive application, or laminating equipment exempt from a written permit pursuant to Rule 219 (l)(11)(FEF), <u>unless an annual low-VOC verification is records are submitted to the Executive Officer in accordance with Rule 219 (u)(8) (l)(11)(F)(ii).</u>	12/5/2008 <u>5/5/2017</u>
Agricultural Diesel-Fueled Engines rated greater than 50 brake horse power used in Agricultural Operations exempt from a written permit pursuant to Rule 219 (q)(1) and (q)(2), and subject to CARB ATCM.	12/5/2008

Equipment, processes or operations located at a facility holding no written permit and emitting four tons or more of VOCs per year as specified in Rule 219(s)(3).	12/5/2008
Gasoline storage tanks and dispensing equipment with capacity greater than or equal to 251 gallons, and installed on or before July 7, 2006 at agricultural operations.	12/5/2008
Asphalt Day Tankers, with a maximum holding capacity equal to or greater than 600 liters (159 gallons) but no more than 18,925 liters (5,000 gallons) and are equipped with a demister and burner(s) designed to fire exclusively on liquefied petroleum gases.	5/3/2013
Asphalt Pavement Heaters used for road maintenance and new road construction.	5/3/2013
Diesel Fueled Boilers that have a rated maximum heat input capacity of 2,000,000 Btu per hour or less, are fueled exclusively with diesel #2 fuel, and are located more than 4,000 feet above sea level or more than 15 miles offshore from the mainland and have been in operation prior to May 3, 2013.	5/3/2013
Food Ovens with a rated maximum heat input capacity of 2,000,000 Btu per hour or less, are fired exclusively on natural gas and where the <u>process VOC emissions from yeast fermentation</u> are less than one pound per day, <u>exempt from a written permit pursuant to Rule 219(b)(2).</u>	<u>5/3/2013</u> <u>5/5/2017</u>
Fuel Cells, which produce electricity in an electro-chemical reaction and use phosphoric acid, molten carbonate, proton exchange membrane, or solid oxide technologies; and associated heating equipment <u>provided the heating equipment is fueled exclusively with natural gas, methanol, liquefied petroleum gas, or any combination thereof,</u> including heaters that have a rated maximum heat input capacity of greater than 2,000,000 Btu per hour, provided that the supplemental heat used is 90,000 therms per year or less.	<u>5/3/2013</u> <u>5/5/2017</u>
Internal combustion engines used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, has a manufacturer's rating of 100 brake horsepower or less, and are fired exclusively on diesel #2 fuel, <u>compressed natural gas (CNG) or liquefied petroleum gas (LPG).</u>	<u>5/3/2013</u> <u>5/5/2017</u>
Micro-Turbines, with a rated maximum heat input capacity of 3,500,000 Btu per hour or less, provided that the cumulative power output of all such engines at a facility is less than two megawatts, and that the engines are certified at the time of manufacture with the state of California or were in operation prior to May 3, 2013.	5/3/2013

Portable Diesel Fueled Heaters, with a rated maximum heat input capacity of 250,000 Btu per hour or less and are equipped with burner(s) designed to fire exclusively on diesel #2 fuel.	5/3/2013
Power Pressure Washers and Hot Water or Steam Washers and Cleaners, that are equipped with a heater or burner that is designed to be fired on diesel fuel, has a rated maximum heat input capacity of 550,000 Btu per hour or less, is equipped with a non-resettable chronometer, and the maximum NOx emission output of the equipment is less than one pound per day and uses no more than 50 gallons of fuel per day.	5/3/2013
Storage of odorants for natural gas, propane, or oil with a holding capacity of less than 950 liters (251 gallons) and associated transfer and control equipment.	5/3/2013
Tar Pots or Tar Kettles, with a maximum holding capacity equal to or greater than 600 liters (159 gallons) but no more than 3,785 liters (1,000 gallons) and are equipped with burner(s) designed to fire exclusively on liquefied petroleum gases.	5/3/2013
<u>Industrial water cooling towers not used for evaporative cooling of process water or not used for evaporative cooling of water from barometric jets or from barometric condensers and in which no chromium compounds are contained, located in a chemical plant, refinery or other industrial facility.</u>	<u>5/5/2017</u>
<u>Storage of aqueous urea solutions.</u>	<u>5/5/2017</u>
<u>Engines registered under the statewide Portable Equipment Registration Program (PERP) used in the Outer Continental Shelf (OCS).</u>	<u>5/5/2017</u>

- (2) If a determination is made that the source cannot operate in compliance with applicable rules and regulations, a permit shall be required pursuant to Rule 203.

(c) Definitions

For the purpose of this rule, the following definitions shall apply:

- (1) AGRICULTURAL OPERATIONS means the growing and harvesting of crops or the raising of fowl or animals for the primary purpose of making a profit, providing a livelihood, or conducting agricultural research or instruction by an educational institution. Agricultural operations do not include activities involving the processing or distribution of crops or fowl or animals.

- (2) AGRICULTURAL DIESEL-FUELED ENGINE is a stationary or portable engine used for agricultural operations. For the purpose of this rule, a portable engine owned by the agricultural source owner is considered to be part of the agricultural stationary source. An engine used in the processing or distribution of crops or fowl or animals is not an agricultural engine.
- (3) APPROVED OPERATING PARAMETERS mean a set of operating requirements the equipment must operate under to comply with the requirements of any applicable federal, state, or District rules.
- (4) ASPHALT DAY TANKER is a storage tank mounted on a motor vehicle and is used exclusively for the storage, holding, melting, and transfer of asphalt or coal tar pitch with a maximum holding capacity equal to or greater than 600 liters (159 gallons) but no more than 18,925 liters (5,000 gallons), is equipped with a demister and burner(s) designed to fire exclusively on liquefied petroleum gases.
- (5) ASPHALT PAVEMENT HEATER is any mobile equipment used to heat asphalt or coal tar pitch for purposes of road maintenance or new road construction.
- (6) BOILER OR STEAM GENERATOR means any combustion equipment that is fired with or is designed to be fired with natural gas, used to produce steam or to heat water, and that is not used exclusively to produce electricity for sale. Boiler or Steam Generator does not include any waste heat recovery boiler that is used to recover sensible heat from the exhaust of a combustion turbine or any unfired waste heat recovery boiler that is used to recover sensible heat from the exhaust of any combustion equipment.
- (7) BTU means British thermal unit or units.
- (8) CHARBROILER means a cooking device composed of a grated grill or skewer and a heat source. The heat source is located beneath the food being cooked or may be located above and below the food. Fuels for the heat source include, but are not limited to, electricity, natural gas, liquefied petroleum gas, charcoal, or wood.
- (9) DIESEL FUELED BOILER is any boiler that has a rated maximum heat input capacity of 2,000,000 Btu per hour or less, is fired exclusively with diesel #2 fuel, and is located more than 4,000 feet above sea level or more than 15 miles offshore from the mainland and has been in operation prior to May 3, 2013.

- (10) EMISSION SOURCE (SOURCE) means any equipment or process, which emits air pollutants for which ambient air quality standards have been adopted, or which emits their precursor pollutants.
- (11) FACILITY is any equipment or group of equipment or other VOC-emitting activities, which are located on one or more contiguous properties within the District, in actual physical contact or separated solely by a public roadway or other public right-of-way, and are owned or operated by the same person (or by persons under common control), or an outer continental shelf (OCS) source as determined in 40 CFR Section 55.2. Such above-described groups, if noncontiguous, but connected only by land carrying a pipeline, shall not be considered one facility.
- (12) FOOD OVEN is any equipment used exclusively for food preparation, has a rated maximum heat input capacity of 2,000,000 Btu per hour or less, and is exclusively fired on natural gas and where the process VOC emissions from yeast fermentation are less than one pound per day, exempt from a written permit pursuant to Rule 219 (b)(2).
- (13) FUEL CELL is any equipment which produces electricity in an electrochemical reaction, uses phosphoric acid, molten carbonate, proton exchange membrane, or solid oxide technologies; and associated heating equipment, including heaters that have a rated maximum heat input capacity of greater than 2,000,000 Btu per hour provided that the supplemental heat used is 90,000 therms per year or less.
- (14) HEAT INPUT means the higher heating value of the fuel to the unit measured as Btu/hr.
- (15) HEPA means High Efficiency Particulate Air filter which is capable of trapping and retaining at least 99.97 percent of all monodispersed particles of 0.3 micrometer in diameter or larger.
- (16) INTERNAL COMBUSTION ENGINE is any spark or compression ignited reciprocating internal combustion engine used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, has a manufacturer's rating of 100 brake horsepower or less, and is fired exclusively on diesel #2 fuel.
- (17) INDUSTRIAL COOLING TOWER means a cooling tower located at a chemical plant, refinery or other industrial facility that is not used for comfort cooling.

- ~~(17)~~(18) _____ ISOLATED WORK AREA means the immediate enclosed containment area in which the asbestos abatement activity takes place.
- ~~(18)~~(19) _____ MICRO-TURBINE is a stationary gas turbine engine, with a rated maximum heat input capacity of 3,500,000 Btu per hour or less, provided that the cumulative power output of all such engines at a facility is less than two megawatts, and that the engines are certified at the time of manufacture with the state of California or were in operation prior to May 3, 2013.
- ~~(19)~~(20) _____ NEGATIVE AIR MACHINE means a machine or contrivance whose primary use is to remove asbestos emissions from residential or commercial abatement projects by passing asbestos containing air from an isolated work area by means of negative air pressure to a HEPA filtration system.
- ~~(20)~~(21) _____ OIL PRODUCTION WELL GROUP is no more than four well pumps located at a facility subject to Rule 1148.1 – Oil and Gas Production Wells at which crude petroleum production and handling are conducted, as defined in the Standard Industrial Classification Manual as Industry No. 1311, Crude Petroleum and Natural Gas.
- ~~(21)~~(22) _____ PORTABLE DIESEL FUELED HEATER is any combustion equipment which transfers heat from the combustion process for space heating and is designed to be fired exclusively with diesel #2 fuel and has a rated maximum heat input capacity of 250,000 Btu per hour or less.
- ~~(22)~~(23) _____ POWER PRESSURE WASHER AND HOT WATER OR STEAM WASHER AND CLEANER is any equipment equipped with a heater or burner that is designed to be fired on diesel fuel, has a rated maximum heat input capacity of 550,000 Btu per hour or less, is equipped with a non-resettable chronometer, has a maximum NOx emission output of less than one pound per day and uses no more than 50 gallons of fuel per day.
- ~~(23)~~(24) _____ PROCESS HEATER means any combustion equipment fired with or designed to be fired with natural gas and which transfers heat from combustion gases to water or process streams. Process Heater does not include any kiln or oven used for annealing, drying, curing, baking, cooking, calcining, or vitrifying; or any unfired waste heat recovery heater that is used to recover sensible heat from the exhaust of any combustion equipment.
- ~~(25)~~ _____ RATED HEAT INPUT CAPACITY means the gross rated heat input specified on the nameplate of the combustion device.

~~(24)~~(26) REPRESSURIZING EQUIPMENT means combustion-based equipment used for processing natural gas for reinjection for reservoir repressurization, or used during enhanced recovery methods such as water flooding, steam flooding, or CO₂ flooding to increase reservoir pressure.

(27) STORAGE OF ODORANTS FOR NATURAL GAS, PROPANE, OR OIL is equipment used exclusively for the storage of odorants for natural gas, propane, or oil odorant storage, with a holding capacity of less than 950 liters (251 gallons) and associated transfer and control equipment.

~~(25)~~(28) STORAGE OF AQUEOUS UREA SOLUTIONS is equipment used exclusively to store aqueous solutions of urea [CO(NH₂)₂] with a holding capacity of 6500 gallons or less.

~~(26)~~(29) TAR POT (also known as a tar kettle) is any mobile equipment used exclusively for the storage, holding, melting, and transfer of asphalt or coal tar pitch and has a maximum holding capacity greater than 600 liters (159 gallons) but no more than 3,785 liters (1,000 gallons) and is equipped with burner(s) that fire exclusively on liquefied petroleum gases.

~~(27)~~(30) WELL CELLAR is a lined or unlined containment surrounding one or more oil wells, allowing access to the wellhead components for servicing and/or installation of blowout prevention equipment.

~~(28)~~(31) WELLHEAD is an assembly of valves mounted to the casing head of an oil well through which a well is produced. The wellhead is connected to an oil production line and in some cases to a gas casing.

~~(29)~~(32) WELL PUMP is a pump used to bring crude oil from the subsurface to surface. A well pump is connected to a well head and can be located in or above a well cellar.

(d) Requirements

(1) Owners/operators of sources subject to this rule shall:

- (A) comply with all applicable District, state, and federal rules and regulations;
- (B) comply with all operating conditions as specified by the District on a new emission source or equipment filing;
- (C) submit applicable information for each emission source described in this rule to the District, in a format determined by the Executive Officer, which shall provide a description of the source and shall include all associated air pollution control equipment, any and all

pertinent data as necessary to estimate emissions from the source, and a determination that the emission source or equipment meets all compliance requirements with applicable rules and regulations. For change of location or change of owner/operator, a new emission source or equipment filing shall be required prior to operation of the emission source or equipment. This information shall include, if applicable, but not be limited to:

- (i) hours of operation;
 - (ii) materials used or processed;
 - (iii) fuel usage; (iv) throughput; and
 - (v) operating parameters.
- (D) On ~~May 3, 2013~~ ~~May 3, 2013~~ ~~May 5, 2017~~, and each subsequent January 1 thereafter, records shall be kept and made available to the District upon request to provide operation data and any updated information on the emission sources or equipment, applicable to this rule, including, but not limited to:
- (i) hours of operation;
 - (ii) materials used or processed;
 - (iii) fuel usage;
 - (iv) throughput; and
 - (v) operating parameters.-

Owners or operators of facilities filing for registration under Rule 219 paragraphs (h)(1)(~~DE~~), (l)(6)(~~EF~~) or (l)(11)(~~EF~~) shall comply with the recordkeeping provisions of this subparagraph unless an annual low-VOC verification is submitted to the Executive Officer in accordance with PAR 219 (h)(1)(E)(ii), (l)(6)(F)(ii) or (l)(11)(F)(ii).

- (E) pay all required fees pursuant to Rule 301;
- (F) maintain a copy on-site of the filing receipt for all emission sources and equipment applicable to this rule for the life of the emission sources or equipment and make available to the Executive Officer upon request;
- (G) maintain records sufficient to verify the description of the emission sources or equipment, subject to this rule, all data necessary to estimate output of emissions sources, and records used to demonstrate compliance with operating conditions and with all other

applicable rules and regulations. The records shall be maintained for five (5) years and made available to the Executive Officer upon request;

- (H) not remove any air pollution control equipment associated with applicable equipment described in this rule unless it can be demonstrated that the replacement air pollution control equipment will reduce emissions at equal to or greater efficiency than the prior unit and such replacement air pollution control equipment is first approved in writing by the Executive Officer.
 - (2) Owners and/or operators of agricultural sources subject to this rule shall comply with the registration requirements in the CARB ATCM for stationary diesel-fueled agricultural engines rated at greater than 50 brake horsepower pursuant to California Code of Regulations, Title 17, Sections 93115.3(a) and 93115.8(c).
 - (3) Failure to comply with the provisions set forth in ~~sub~~paragraphs (d)(1)(A), (B), (C), (D), (E), and (F) shall constitute a violation of this rule.
- (e) Compliance Dates
- (1) A person shall not install, alter, replace, operate, or use any equipment subject to this rule, initially installed on or after the effective date in Table I, without first complying with the requirements in subparagraphs (d)(1)(A), (B), (C), (E) and (H).
 - (2) The owner/operator of an emission source installed prior to the effective date in Table I and not currently possessing a valid Permit to Operate or open application for a Permit to Operate shall comply with the requirements of subdivision (d) within six (6) months of the effective date in Table I.
 - (3) The owner/operator of an emission source installed prior to the effective date in Table I and possessing a valid Permit to Operate or open application for a Permit to Operate will be notified by the Executive Officer of the transfer of the Permit to Operate or open application to the filing system and shall comply with the requirements of subdivision (d) within sixty (60) days of notification.
 - (4) Failure to comply with the provision set forth in paragraphs (b)(1), (b)(2), (e)(1) through (e)(3) shall constitute a violation of this rule.

ATTACHMENT H

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

Final Staff Report

Proposed Amended Rule 219 - Equipment Not Requiring A Written Permit Pursuant To Regulation II

Proposed Amended Rule 222 - Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II

May 2017

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EXECUTIVE OFFICER:

WAYNE NASTRI

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Rule 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II – is an administrative rule that identifies equipment, processes, and operations that emit small amounts of air contaminants that do not require written permits, except for equipment, processes and operations subject to subdivision (s) - Exceptions. In addition, an exemption from a written permit requirement provided by this rule is only applicable if the equipment, process, or operation is in compliance with subdivision (t) - Recordkeeping. Proposed Amended Rule (PAR) 219 seeks to include additional equipment for exemption and clarify existing rule language regarding the intent of existing exemptions and editorial corrections to the rule.

Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II – provides an alternative to District written permits by allowing certain emission sources that meet predetermined criteria to register the emission source in the Rule 222 filing program. These emission sources, shown in Table 3-1, are the significantly smaller emitters and less complex sources. These sources do not require a written permit but are required to meet the filing requirements pursuant to the Rule 222 filing program and are subject to operating conditions. The filing of these emission sources is typically accompanied by pre-established operating conditions, which limit ~~unnecessary or excessive~~ air contaminants. Additionally, the benefit to the District administration is the simplicity and efficiency in processing the application for the emission sources in the Rule 222 filing program rather than as a traditional written permit, which typically includes permit pre-screening, permit analysis, and permit evaluation before the permit ~~to construct and permit to operate~~ can be issued. In addition, the filing of such equipment allows the District to accurately account for their emissions which is ~~quite~~ useful in determining the emissions inventories for the respective source categories. The benefit to the owner and operator will be the faster turnaround time for processing and the reduced cost compared to a typical ~~written~~ permit.

Overview of Proposed Revisions to Rule 219

Staff proposes to add exemptions for a number of equipment categories with small criteria pollutant and low toxic emission profiles and limited potential for further reductions from permitting requirements. Table ES-1 lists the equipment, processes, or operations for addition or modification under this proposed amendment:

Table ES-1 – Source Categories Proposed for Amendments to PAR 219

Rule Citation	Source Category	Description of Amendment
(b)(1)	Engines used at remote 2-way radio transmission towers	Add LPG and CNG as allowable fuels in addition to diesel
(b)(2)	Combustion equipment (food ovens)*	Minor clarification
(b)(5)	Fuel cells*	Clarification to restore original intent of exemption

<u>Rule Citation</u>	<u>Source Category</u>	<u>Description of Amendment</u>
(b)(8) and (r)(1)	Equipment registered under the statewide Portable Equipment Registration Program (PERP)	Consolidate all PERP language under paragraph (r)(1)
(c)(11)	Sub-slab ventilation systems	New exemption
(d)(3)	Cooling towers*	Require industrial cooling towers to register under Rule 222
(e)(8)	Welding, oxy/gas fuel cutting, laser etching and engraving equipment excluding alloys containing chromium, cadmium, nickel, or lead	Exempt hand-held equipment. Establish low level for toxic impurities
(e)(21)	Quench tanks that are part of a heat treating operation	Require quench tanks and other related equipment to be listed in the permit description in any future permit modifications.
(g)(2)	Shredding of wood products	Remove treated woods and greenwaste from exemption
(g)(4)	Equipment for separation/segregation of plastic materials for recycling	New exemption
(h)(1)(DE), (l)(6)(EF), (l)(11)(EF)	Ultraviolet (UV) and electron beam coating and printing operations and conventional coating and printing operations.	Establish low concentration limits and total VOC emissions for UV/EB and other materials and clean-up solvents. In addition, registration under Rule 222, or submittal of <u>annual low-VOC verification records</u> already required to be kept under Rule 109.
(i)(8)	Coffee roasting equipment	Increase allowable size of coffee roasters
(i)(12)	Charbroilers, barbeque grills and other underfired grills	Minor clarification
(i)(13)	Equipment used to brew beer for lower production facilities	New exemption
(i)(14)	Equipment used to manufacture dehydrated meat	New exemption
(m)(9)	VOC-containing liquid storage and transfer	Clarification to prohibit circumvention of existing exemption language
(m)(24)	Storage of aqueous urea solutions*	New exemption
(n)	Natural gas and crude oil production equipment*	Require registration for certain equipment under Rule 222

<u>Rule Citation</u>	<u>Source Category</u>	<u>Description of Amendment</u>
(p)(4)	Surface preparation tanks	Remove tanks that emit toxics from exemption
(p)(5)	Equipment used for plating, stripping or anodizing	Remove tanks that emit toxics from exemption
(p)(10)	Paper, carpet and fabric operations	Remove recycling operations from exemption
(p)(23)	Rinse tanks, dye tanks and seal tanks that are part of a metal finishing operation.	Require rinse tanks, dye tanks and seal tanks and other related equipment to be listed in the permit description in any future permit modifications.

*Subject to registration under PAR 222

Staff also intends to revise some paragraphs of the current rule language to clarify the intent of the existing exemptions and to include minor clarifications and editorial corrections to the rule.

Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit to Operate Pursuant to Regulation II – provides a simplified filing process in lieu of permitting for certain equipment that have a low emissions profile. The proposed amendments to Rule 222 will require operators of some equipment proposed for exemption under Proposed Amended Rule 219 and some other equipment categories to file their information in the Rule 222 filing program in lieu of their written permits. While Rule 222 provides the owners/operators of certain air contaminant emitting equipment with a simplified filing process at reduced cost compared to written permits, it also provides the SCAQMD with the ability to track the operation, location of such equipment and their relative contribution to the emissions inventory; as well provide simplified operating conditions.

The proposed amendment for Rule 222 adds the following equipment categories to the Rule 222 filing program:

- Water cooling towers not used for evaporative cooling of process water or used for evaporative cooling of water from barometric jets or from barometric condensers and in which no chromium compounds are contained, including industrial cooling towers located in a chemical plant, refinery or other industrial facility;
- Natural gas and crude oil production equipment, including: natural gas pipeline transfer pumps; and natural gas repressurizing equipment;
- Engines registered under the statewide Portable Equipment Registration Program (PERP) used in the Outer Continental Shelf (OCS); and
- Storage tanks for aqueous urea solutions

In addition to these three equipment categories, staff is also proposing to make changes to an additional four equipment categories. These categories include:

- Printing operations, coating/adhesive operations and drying equipment have the option of submitting annual low-VOC verification of records kept pursuant to Rule 109 instead of remaining in the Rule 222 registration program;
- Food Ovens, with a rated maximum heat input capacity of 2,000,000 Btu per hour or less, are fired exclusively on natural gas and where the process VOC emissions are less than one pound per day;
- Fuel cells; and
- Internal combustion engines used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, has a manufacturer's rating of 100 brake horsepower or less, and are fired exclusively on diesel #2 fuel, compressed natural gas (CNG) or liquefied petroleum gas (LPG).

Additionally, staff proposes provisions that would enhance enforceability of conditions included in approval of filings and also include minor clarifications and editorial corrections to the rule.

CHAPTER 1: BACKGROUND ON PROPOSED AMENDED RULES 219 AND 222

Introduction

Regulatory History

Affected Facilities

INTRODUCTION

Rule 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II – is an administrative rule that identifies equipment, processes, and operations that emit small amounts of air contaminants that do not require written permits, except for equipment, processes and operations subject to subdivision (s) - Exceptions. In addition, an exemption from a written permit requirement provided by this rule is only applicable if the equipment, process, or operation is in compliance with subdivision (t) - Recordkeeping.

Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II – provides an alternative to District written permits by allowing certain emission sources that meet predetermined criteria to register the emission source in the Rule 222 filing program. These emission sources, shown in Table 3-1, are the significantly smaller emitters and less complex sources. These sources do not require a written permit but are required to meet the filing requirements pursuant to the Rule 222 filing program and are subject to operating conditions. The filing of these emission sources is typically accompanied by pre-established operating conditions, which limit unnecessary or excessive air contaminants. Additionally, the benefit to the District administration is the simplicity and efficiency in processing the application for the emission sources in the Rule 222 filing program rather than as a traditional written permit, which typically includes permit pre-screening, permit analysis, and permit evaluation before the permit to construct and permit to operate can be issued. In addition, the filing of such equipment allows the District to accurately account for their emissions which is quite useful in determining the emissions inventories for the respective source categories. The benefit to the owner and operator will be the faster turnaround time for processing and the reduced cost compared to a typical written permit.

The current rule requires owners and operators of specific emission sources to submit information regarding emissions, including, but not limited to; (1) a description of the emission source; (2) data necessary to estimate emissions from the emission source; and (3) information to determine whether the emission source is operating in compliance with applicable District, state, and federal rules and regulations.

REGULATORY HISTORY

Rule 219 was adopted on January 9, 1976 and subsequently has been amended eighteen times; this proposed amendment will be the nineteenth amendment to the rule. The most recent amendment was in May 2013.

Rule 222 was adopted on September 11, 1998 and has subsequently been amended four times; this proposed amendment will be the fifth amendment to the rule. The most recent amendment was in May 2013.

AFFECTED INDUSTRIES

Rule 219 affects any industry that uses equipment, processes, or operations that produce small amounts of air contaminants by providing an exemption to written permit for such equipment. These types of equipment, processes, or operations that emit small amounts of air contaminants can be small business operations or large source operations.

Rule 222 applies to owners and operators of emission sources that meet specific criteria to qualify for the District Rule 222 filing program and any equipment that would be otherwise exempt from a written permit pursuant to Rule 219 but requires registration to ensure it was determined by the Executive Officer that it could not operate in compliance with applicable rules and regulations.

Table 1-1 lists the emission sources that are currently required to submit notification under the Rule 222 filing program.

TABLE 1-1 – Emission Sources Compatible with the AQMD Rule 222 Filing Program

SOURCE/EQUIPMENT	EFFECTIVE DATE
Boilers or Steam Generators & Process Heaters with a rated heat input capacity from 1,000,000 up to and including 2,000,000 Btu/hr, excluding equipment subject to Regulation XX – Regional Clean Air Incentives Market (RECLAIM)	1/1/2001
Commercial Charbroilers and associated air pollution control equipment	1/1/1999
Negative Air Machines (Asbestos)	1/1/1999
Oil Production Well Group	1/1/2004
Printing and related coating and/or laminating equipment and associated dryers and curing equipment exempt from written permit pursuant to Rule 219(h)(1)(E)	12/5/2008
Roller to roller coating systems that create 3-dimensional images exempt from written permit pursuant to Rule 219(j)(13)(C)	12/5/2008
Coating or adhesive application, or laminating equipment exempt from written permit pursuant to Rule 219(l)(6)(F)	12/5/2008
Drying equipment such as flash-off ovens, drying ovens, or curing ovens associated with coating or adhesive application, or laminating equipment exempt from written permit pursuant to Rule 219(l)(11)(F)	12/5/2008
Agricultural Diesel-Fueled Engines rated greater than 50 brake horse power used in Agricultural Operations exempt from written permit pursuant to Rule 219(q)(1) and (q)(2), and subject to CARB ATCM	12/5/2008
Equipment, processes, or operations located at a facility holding no written permit and emitting four tons or more of VOCs per year as specified in Rule 219(s)(3)	12/5/2008
Gasoline storage tanks and dispensing equipment with capacity greater than or equal to 251 gallons, and installed on or before July 7, 2006 at agricultural operations	12/5/2008
Asphalt Day Tankers, with a maximum capacity greater than 600 liters (159 gallons) but no more than 18,925 liters (5,000 gallons), equipped with a demister and burner(s) that are designed to fire exclusively on liquefied petroleum gases only.	5/3/2013

SOURCE/EQUIPMENT	EFFECTIVE DATE
Asphalt Pavement Heaters used for road maintenance and new road construction.	5/3/2013
Diesel Fueled Boilers that have a rated maximum heat input capacity of 2,000,000 Btu per hour or less, are fueled exclusively with diesel #2 fuel, and are located more than 4,000 feet above sea level or more than 15 miles offshore from the mainland and have been in operation prior to May 3, 2013.	5/3/2013
Food Ovens with a rated maximum heat input capacity of 2,000,000 Btu per hour or less are fired exclusively on natural gas and where the VOC emissions from yeast fermentation are less than one pound per day.	5/3/2013
Fuel Cells, which produce electricity in an electro-chemical reaction and use phosphoric acid, molten carbonate, proton exchange membrane or solid oxide technologies; and associated heating equipment, including heaters that have a rated maximum heat input capacity of greater than 2,000,000 Btu per hour, provided that the supplemental heat used is 90,000 therms per year or less.	5/3/2013
Internal combustion engines used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, has a manufacturer's rating of 100 brake horsepower or less, and are fired exclusively on diesel #2 fuel.	5/3/2013
Micro-Turbines, with a rated maximum heat input capacity of 3,500,000 Btu per hour or less, provided that the cumulative power output of all such engines at a facility is less than two megawatts, and that the engines are certified at the time of manufacture with the state of California or were in operation prior to May 3, 2013.	5/3/2013
Storage of odorant for natural gas, propane, or oil of less than 950 liters (251 gallons) and associated transfer and control equipment.	5/3/2013
Internal combustion engines used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, has a manufacturer's rating of 100 brake horsepower or less, and are fired exclusively on diesel #2 fuel.	5/3/2013
Portable Diesel Fueled Heaters, with a rated maximum heat input capacity of 250,000 Btu per hour or less and are equipped with burner(s) designed to fire exclusively on diesel #2 fuel only.	5/3/2013
Power Pressure Washers and Hot Water or Steam Washers and Cleaners, that are equipped with a heater or burner that is designed to be fired on diesel fuel, has a rated maximum heat input capacity of 550,000 Btu per hour or less, is equipped with non-resettable chronometer, and the maximum NOx emission output of the equipment is less than one pound per day and uses no more than 50 gallons of fuel per day.	5/3/2013
Tar Pots with a maximum storage capacity greater than 600 liters (159 gallons) but no more than 3,785 liters (1,000 gallons) and are equipped with burner(s) designed to fire exclusively on liquefied petroleum gases only.	5/3/2013

CHAPTER 2: SUMMARY OF PROPOSED AMENDED RULE 219

Overview: Proposed Amendments to Rule 219

Revisions to Existing Rule Language

Additional Administrative Changes

Additional Comments from Stakeholders

OVERVIEW: PROPOSED AMENDMENT TO RULE 219

Proposed Amended Rule (PAR) 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II – is an administrative rule that provides certain equipment, processes, and operations that emit small amounts of air contaminants an exemption from the District permitting requirements under Regulation II – Permits. Staff has identified sources of equipment, processes, and operations that emit small amounts of air contaminants that are proposed to be included in Rule 219 subject to specified conditions. The emissions are further limited using parameters such as maximum fuel usage or hours of operation, and maintain potential risks below one in a million. This staff proposal seeks to include the equipment, processes, or operations listed in Table 2-1 for addition or modification under this amendment:

Table 2-1 – Equipment, Processes and Operations Proposed for Addition or Modification to PAR 219

Description	Rule Citation
Engines used at remote 2-way radio transmission towers	(b)(1)
Combustion equipment	(b)(2)
Fuel cells	(b)(5)
PERP equipment	(b)(8) and (r)(1)
Sub-slab ventilation systems	(c)(11)
Cooling towers	(d)(3)
Welding, oxy/gas fuel cutting, laser etching and engraving equipment	(e)(8)
Quench tanks that are part of a heat treating operation	(e)(21)
Shredding of wood products	(g)(2)
Equipment for separation/segregation of plastic materials for recycling	(g)(4)
Ultraviolet (UV) and electron beam coating and printing operations and conventional coating and printing operations.	(h)(1)(DE), (l)(6)(EF), (l)(11)(EF)
Coffee roasting equipment	(i)(8)
Charbroilers, barbeque grills and other underfired grills	(i)(12)
Equipment used to brew beer	(i)(13)
Equipment used to manufacture dehydrated meat	(i)(14)
VOC-containing liquid storage and transfer	(m)(9)
Storage of aqueous urea solutions	(m)(24)
Natural gas and crude oil production equipment	(n)
Surface preparation tanks	(p)(4)
Equipment used for plating, stripping or anodizing	(p)(5)
Paper, carpet and fabric operations	(p)(10)

Rinse tanks, dye tanks and seal tanks that are part of a metal finishing operation.	(p)(23)
Exceptions to exemptions	(s)(4)

Additionally, the staff proposal makes minor clarifications and editorial corrections to the rule.

Engines used at remote 2-way radio transmission towers {219(b)(1)}

For this proposed amendment to PAR 219, one facility submitted an application for an engine located at a remote location that is fueled on liquefied petroleum gas (LPG). The engine is used as back-up power to the primary power for an emergency communications system. The primary power is solar panels combined with batteries. The engine runs when the solar panels and batteries cannot keep up with the power demand. Currently, only diesel fuel is allowed under this exemption. As a result of this request, staff proposes to include cleaner fuels, including compressed natural gas (CNG) and LNG as an alternative to diesel fuel for engines located at remote 2-way radio transmission towers. Emissions of NO_x and particulate emissions from combustion of both LPG and CNG are lower than those from diesel combustion. Therefore, emissions from use of alternative fuels will be lower than under the current exemption. In addition, the remote location of these engines is unlikely to result in any health risk from diesel, CNG or LNG emissions of greater than one in one million.

During the research for the 2013 amendment Rule 219, staff identified 16 additional internal combustion engines that operate at 8 two-way radio transmission towers in the South Coast Air Basin. Each radio transition tower employs two of these engines and they run offset, meaning that one runs for 12 hours and shuts down while the other starts up and runs for 12 hours for an accumulated run time of 24 hours, 7 days per week, 52 weeks per year. All 16 units are solely diesel fueled and operate in remote rural areas where there are no provisions for natural gas, electricity or alternate fuels.

Staff proposes the following amended language for paragraph (b)(1):

“ . . . or internal combustion engines, used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, with a manufacturer’s rating of 100 brake horsepower or less, and are fired exclusively on diesel #2 fuel, compressed natural gas (CNG) or liquefied petroleum gas (LPG).”

Combustion equipment {219(b)(2)}

During the 2013 amendment to Rule 219, the following language was added to clarify that food ovens were exempt under paragraph (b)(2), provided they were rated under 2,000,000 Btu/hr, were fired on natural gas, and where VOC emissions from yeast fermentation are less than one pound per day:

“This exemption does not apply whenever there are emissions other than products of combustion, unless the equipment is specifically exempt under another section of this rule, except for food ovens with a rated maximum heat input capacity of 2,000,000 Btu/hour or less, that are fired exclusively on natural gas and where the VOC emissions from yeast fermentation are less than one pound per day, . . .”

Staff is proposing to make the language of this exemption more general, to include VOC emissions from all sources, including VOC emissions from the baking process in addition to VOC emissions from yeast fermentation. Staff proposes the following amended language for paragraph (b)(2):

“This exemption does not apply whenever there are emissions other than products of combustion, except for food ovens with a rated maximum heat input capacity of 2,000,000 Btu/hour or less, that are fired exclusively on natural gas and where the process VOC emissions are less than one pound per day, and provided a filing pursuant to Rule 222 is submitted to the Executive Officer.”

During the 2013 amendment to Rule 219, staff identified 55 permitted food ovens and exempted them from written permit and transitioned these ovens to the more streamlined Rule 222 filing program. Food ovens that are exempt under the more generalized language will continue to be required to submit a filing under the Rule 222 filing program. As those units were no longer subject to Rule 1147 requirements at that time, staff calculated an estimate of NO_x emissions forgone at 24 lb/day. Staff does not anticipate any additional cumulative emissions with this revision, since all VOC emissions are now subject to 1 lb/day limit, not just those from yeast fermentation.

Fuel cells {219(b)(5)}

Fuel cells are used in certain applications in the South Coast Air Basin to produce power from digester gas. Prior to the 2013 amendment to Rule 219, all fuel cells were exempt. Early fuel cells used an electric heater to provide heat input during startup. Subsequent to this, larger fuel cells required more heat input and used a natural gas burner to provide the necessary heat. After Rule 1147 was amended, they were fitted with low-NO_x burners and were still exempt.

During the 2013 amendment to Rule 219, staff provided an exemption for 2 fuel cells that had filed for a written permit and transitioned this equipment to the more streamlined Rule 222 filing program. During that analysis, staff established an exemption for fuel cells with a supplemental heater usage rate of 90,000 therms per year or less, based on the rationale that fuel cells generate power with a much lower emissions profile than central power plants, even when emissions from the supplemental heater use are accounted for. In an effort to encourage the use of such distributed power generation equipment, staff recommended exemption of fuel cells, including their supplemental heaters, from permitting provided that the heater uses less than 90,000 therms per

year. Staff based the 90,000 therms per year on a worst case scenario where the total NOx emissions for a start-up heater was equivalent to 30 ppm, which is equivalent to 0.0363 lbs per 10⁶ Btu resulting in 326.7 pounds per year of NOx emissions or less than 1 pound/day.

The intent of the exemption in 2013 was to require a Rule 222 registration for fuel cells using natural gas-fired supplemental heat, but not for fuel cells using electric heaters. However, during implementation, all fuel cells were made to submit a registration. Staff proposes the following language that would restore the original intent - i.e. ~~only natural gas-fired~~ fuel cells using electric heaters are not required to be registered. In addition, staff proposes to specify that the allowable fuels for supplemental heat include natural gas, methanol, liquefied petroleum gas, or any combination thereof:

“Fuel cells, which produce electricity in an electro-chemical reaction and use phosphoric acid, molten carbonate, proton exchange membrane, or solid oxide technologies; and associated heating equipment, provided the heating equipment:

- (A) does not use a combustion source; or*
- (B) notwithstanding paragraph (b)(2), is fueled exclusively with natural gas, methanol, liquefied petroleum gas, or any combination thereof, including heaters that have a rated maximum heat input capacity of greater than 2,000,000 Btu per hour, provided that the supplemental heat used is 90,000 therms per year or less and provided a filing pursuant to Rule 222 is submitted to the Executive Officer.”*

PERP equipment {219(b)(8) & (r)(1)}

The existing exemption under paragraph (b)(8) addresses engines registered under the Statewide Portable Equipment Registration Program (PERP). The existing exemption under paragraph (r)(1) addresses portable equipment registered under PERP more broadly.

The purpose of the PERP program is to *“establish a statewide program for the registration and regulation of portable engines and engine-associated equipment . . . (to) operate throughout the State of California without authorization . . . or permits from air quality management districts. These regulations preempt districts from permitting . . . portable engines . . .”*¹

During this proposed rule amendment, staff is responding to three issues identified with PERP engines:

¹ <https://www.arb.ca.gov/portable/perp/perpreg.pdf>

1. Request from a stakeholder to amend paragraph (b)(8) to allow PERP-registered engines to serve as emergency units while a stationary emergency engine is being repaired or replaced;
2. Request from a stakeholder to amend paragraph (b)(8) to allow PERP-registered engines to operate on platforms located in the Outer Continental Shelf (OCS);
3. Clarification of emission calculation procedures related to the Monitoring, Recordkeeping and Reporting (MRR) protocols in Rules 2010 and 2011.

Staff recommends deferring any changes to Rule 219 to address the first issue until after CARB issues an amended Final Regulation Order for the PERP regulation, to potentially satisfy the stakeholder's request through implementation guidance rather than presumptively making changes to the exemption language in Rule 219. Staff has and will continue to monitor and coordinate with CARB on any amendments to the PERP regulation.

Staff proposes to amend the language of both paragraph (b)(8) and (r)(1): paragraph (b)(8) will refer to the broader language under paragraph (r)(1) and paragraph (r)(1) will be amended to include language formerly in paragraph (b)(8) and add language to address PERP engines operating in the OCS, and MRR protocols.

Staff proposes to allow internal combustion engines that are registered under the statewide Portable Equipment Registration Program (PERP) to be used in the Outer Continental Shelf (OCS). Offshore production platform operators occasionally require engines for a short period of time, for uses such as construction, maintenance and repair projects to power equipment such as pumps, air compressors and hot water heaters, and for well drilling and workover projects to power equipment such as power tongs, power swivels, well control equipment cement pumps and centrifugal pumps. These engines are not used for more than one year at a location.

Under the staff proposal, PAR 219 will not require a permit for engines operated in the OCS, provided the engine is a PERP registered engine and a filing under the Rule 222 registration program is submitted to provide the necessary notification to the SCAQMD of the intent to use a PERP engine in the OCS. Staff proposes the following language for paragraph (b)(8):

“Portable combustion equipment, pursuant to ~~subdivision~~ ~~paragraph~~ (r)(1).”

Staff proposes the following new or amended language for paragraphs (r)(1), (r)(2) and (r)(3) - Registered Equipment and Filing Program:

(r)(1) “Any portable equipment, including any turbines qualified as military tactical support equipment under Health and Safety Code Section 41754 registered in accordance with the Statewide Portable Equipment Registration Program (PERP) adopted pursuant to California Health and Safety Code Section 41750 et seq.

- (r)(2) *“PERP registered engines used in the Outer Continental Shelf (OCS), provided that:*
- (A) *notification is submitted to the Executive Officer via submittal of a filing pursuant to Rule 222;*
 - (B) *the equipment shall not reside at one location for more than 12 consecutive months; and*
 - (C) *notwithstanding the exemption applicability under Health and Safety Code §2451 of the Statewide Portable Equipment Registration Program (PERP) for engines operating in the OCS, all operators using this permit exemption shall comply with PERP and with California Air Resources Board-issued registration requirements.”*
- (r)(3) *“PERP registered equipment operated at a RECLAIM Facility, shall be classified as Major Source, Large Source or Process Units in accordance with Rule 2011 (c) and (d) for SO_x emissions and Rule 2012 (c), (d) and (e) for NO_x emissions for purposes of determining the applicable requirements for Monitoring, Reporting and Recordkeeping (MRR). Use of RECLAIM MRR Protocols for Rule 219 equipment as specified in Rule 2011 (Rule 2011 Protocol, Appendix A, Chapter 3, Subsection F) and Rule 2012 (Rule 2012 Protocol, Appendix A, Chapter 4, Subsection F) is only allowed if the registered PERP equipment also qualifies for an exemption from permit under a separate provision of this Rule.”*

Sub-slab ventilation systems {219(c)(11)}

This proposed exemption represents a new category under PAR 219. The purpose of a sub slab ventilation system is to prevent radon or other vapors present in the soil below a concrete slab from migrating into the occupied space above the slab. Air pressure in the lowest level of buildings is usually lower than pressure in the soil beneath the building. Negative pressures that are induced by buildings draw both radon and other airborne soil contaminants into occupied building space where inhalation and human health risk from exposure occurs.² USEPA has guidance for vapor intrusion into buildings.^{3,4}

An air permit is currently required for a sub-slab ventilation system. Staff identified three sub-slab ventilation systems that have been permitted; including two systems that were permitted with air pollution control equipment and one system without control equipment. Control equipment

² Designing Efficient Sub Slab Venting and Vapor Barrier Systems for Schools and Large Buildings, T. Hatton, 2010, Proceedings of 2010 Radon Symposium

³ United States Environmental Protection Agency, March 2008 *Brownfields Technology Primer: Vapor Intrusion Considerations for Redevelopment*, EPA 542-R-08-001

⁴ United States Environmental Protection Agency, February 2004, *User's Guide for Evaluating Subsurface Vapor Intrusion into Building*

typically consists of a canister containing carbon media. A concern after a sub-slab ventilation system may be installed to address concerns following a building usage change where prior operations may have had toxic substances; for example, where a dry cleaning operation was formerly present in a building.

From the existing permit evaluations, when the sub-slab ventilation system is equipped with a carbon adsorber, emissions of total organic compounds (TOC) were calculated to be extremely low, in the part per billion (ppb) range. In addition, the toxic risk has also been calculated to be very low (MICR $\ll 1 \times 10^{-6}$).

Based on very low potential for VOC emissions and toxics risk, staff proposes to exempt sub-slab ventilation systems that meet certain criteria. These include:

1. System flow rate of less than 200 feet per minute (fpm);
2. Vacuum suction pits do not penetrate more than 18 inches under the slab;
3. Exhaust is vented to a properly sized carbon control system (or equivalent); and
4. TOC concentration at the carbon control system inlet is less than 15 parts per million by volume (ppmv), measured as hexane.

Under this proposal, sub-slab ventilation systems that meet the criterion above would be exempt from having to obtain a written permit. However, systems that are not equipped with integral control equipment, have high flow, or that do not meet the prescribed TOC concentration would continue to be required to obtain a written permit. This will enable an evaluation of the specific parameters of such systems to ensure they comply with all applicable District rules.

Staff proposes the following language for this exemption:

“Sub-slab Ventilation systems and associated air pollution control with an aggregate flow rate of less than 200 standard cubic feet per minute (scfm) where vacuum suction pits do not penetrate more than 18 inches below the bottom of the slab, provided the inlet total organic compounds concentration does not exceed 15 ppmv, measured as hexane, and provided the ventilations system is connected to air pollution control equipment consisting of a carbon adsorber sized to handle at least 200 scfm, or equivalent air pollution control.”

Cooling towers {219(d)(3)}

Cooling towers at industrial facilities not used for evaporative cooling of water from barometric jets or from barometric condensers and in which no chromium compounds are contained such as refineries or chemical plants, in addition to cooling towers that are used for heating, ventilation and air condition (HVAC) comfort cooling for buildings are currently exempted under paragraph (d)(3).

~~Proposed~~ 2016 AQMP Control Measure BCM-02 will seek reductions in PM_{2.5} emissions from industrial cooling towers in future years. The proposed control measure will seek to reduce PM emissions from cooling towers by requiring the use of more efficient drift eliminators that keep drift losses to less than 0.001% of the circulating water flow rate.

Drift eliminators are usually incorporated into the design of cooling towers to limit emission of drift droplets from the air stream before air exits the towers. In general, cellular drift eliminators provide the greatest effective surface area for maximum drift removal efficiency at minimum pressure drop. With proper installation, a cellular drift eliminator can keep drift losses to less than 0.001% of the recirculating water flow rate, resulting in water savings as well. In addition, cellular drift eliminators can be trimmed for a tightest fit, hence further improve the drift eliminator efficiency.

Emissions from cooling towers are required to be reported annually under the Annual Emission Reporting (AER) program. To calculate emissions, a default drift rate as a percentage of circulating water flow rate is used for each cooling tower depending on the year of manufacture. These drift rates and emission equations were developed by EPA (AP-42, Chapter 13.4) and refined by SCAQMD. Emissions are reported as total PM and conservatively assumed to be PM₁₀. A comment received from a stakeholder proposes to consider particle size distribution for drift particles emitted from cooling towers, based on a specific method.⁵ However, staff believes it is better to conduct this analysis during rule development for this source category, and instead proposes to move industrial cooling towers into the filing program under Rule 222 in order to build a current inventory of these cooling towers and collect information that will better allow emissions of PM_{2.5}, PM₁₀ and TSP to be calculated.

Staff proposes to continue to provide an exemption for comfort (i.e. HVAC) cooling towers under paragraph (d)(3). Staff further proposes to limit the exemption for industrial cooling towers by transitioning them into the Rule 222 filing program rather than requiring each cooling tower to obtain a written permit. Staff proposes the following amended language for paragraph (d)(3):

“Water cooling towers and water cooling ponds not used for evaporative cooling of process water or not used for evaporative cooling of water from barometric jets or from barometric condensers and in which no chromium compounds are contained, including:

- (A) Cooling towers used for comfort cooling; and*
- (B) Industrial cooling towers located in a chemical plant, refinery or other industrial facility, provided a filing pursuant to Rule 222 is submitted to the Executive Officer.”*

⁵ <https://www.env.nm.gov/aqb/permit/documents/PermittingGuidanceforCoolingTowerParticulateEmissions.pdf>

Passive carbon adsorbers {219(d)(10)}

Passive carbon adsorbers are currently exempt provided they are not larger than 120 gallons, are not served by a mechanical ventilation system with a blower, and are used for odor control at wastewater treatment plants or sewer collection systems. Staff is proposing to expand this exemption to food waste slurry storage tanks.

This exemption was requested by a stakeholder in the PAR 219/222 rule development process. In this operation, food waste is collected from restaurants, food processing plants and grocery stores. It is screened and blended into a slurry. The slurry is then loaded into tanker trucks and delivered to a facility where it is pumped from the tanker truck into closed, sealed storage tanks, eliminating potential for odors. As new food waste slurry enters the sealed storage tanks, the displaced air is scrubbed through the passive carbon adsorbers, which act as odor control filters. The food waste slurry is then pumped from the storage tanks into a digester, where the food waste is digested to create biogas.

Under this proposal, the facilities at which passive carbon adsorbers are allowed without obtaining a written permit is expanded to include facilities or operations where food waste slurry is stored. Staff expects VOC emissions to be less than one pound per day as a result of this expansion of an existing exemption.

Staff proposes the following amended language for paragraph (d)(10):

“Passive carbon adsorbers, with a maximum vessel capacity of no more than 120 gallons, without mechanical ventilation, and used exclusively for odor control at wastewater treatment plants, food waste slurry storage tanks, or sewer collection systems, including sanitary sewers, manholes, and pump stations.”

Welding, oxygen gaseous fuel cutting, laser etching and engraving equipment {219(e)(8)}

Staff proposes to clarify the intent of paragraph (e)(8) by specifying that the existing exemption for welding, oxygen-gaseous fuel cutting, laser etching and engraving applies to hand-held plasma-arc cutting equipment, hand-held laser cutting equipment, but does not apply to cutting equipment as described in the exemption that are used to cut stainless steel and alloys containing chromium, cadmium, nickel or lead where these alloys contain 0.1% by weight or more of chromium, cadmium, nickel or lead. Concentrations of chromium, cadmium, nickel and lead in excess of 0.1% by weight are required to be reported on safety data sheets (SDS) that are supplied with the alloy, pursuant to the requirements of 29 CFR, §1910.1200—Health Hazard Criteria (Mandatory)⁶. It is not possible for SCAQMD staff to determine whether reportable levels of toxic metals were added at the mill for alloying purposes or are present as impurities in alloys, mild steels, and carbon

⁶ https://www.osha.gov/pls/oshaweb/owadis.show_document?p_table=STANDARDS&p_id=10100

steels. Therefore, the proposed language is intended to specify the de minimis level to align with readily accessible reporting concentration values to improve enforceability and improve clarity. Demonstration of the de minimis level of toxics concentrations may be accomplished either by Safety Data Sheet (SDS) or by a materials assay or other direct measurement of toxic metals.

Based on comments received at the Public Workshop for PARs 219 and 222, staff proposes to exclude cutting of stainless steel and alloys containing 0.1% by weight or more of chromium, nickel, cadmium or lead during maintenance and repair operations, as those activities are intermittent and the concentration of the alloy being cut may not be known. The objective is to include cutting operations that are part of a facility's regular operations as activities that require a written permit.

Staff also proposes to add hand-held plasma arc-cutting equipment and hand-held laser cutting equipment to the existing list of exempt equipment under this source category. In this context, "hand-held" describes mobile or portable equipment that may be moved around a facility, and includes equipment where the cutting head is hand-held, in addition to small, portable table-mounted cutting equipment. Hand-held equipment is not typically operated in a production environment. Particulate matter emissions from these two types of hand-held equipment are expected to be well below 1 lb/day.

During the 2013 amendment to Rule 219, staff identified 36 laser cutters, engravers and etchers and added this equipment to the exemption under paragraph (e)(8). Staff found these equipment do not process metals such as stainless steel, or alloyed materials that contain chromium, cadmium, nickel or lead; however, these metals when subjected to the intense heat of the laser can emit toxic materials. Lasers that process these type metals must go through a complete engineering evaluation before a written permit is considered.

Staff proposes the following amended language for paragraph (e)(8):

“Welding equipment, oxygen gaseous fuel-cutting equipment, hand-held plasma-arc cutting equipment, hand-held laser cutting equipment, laser etching or engraving equipment and associated air pollution control equipment. This exemption does not include cutting equipment described in this paragraph that is used to cut stainless steel, or alloys containing 0.1% by weight or more of chromium, nickel, cadmium or lead, unless the equipment is used exclusively for maintenance or repair operations. In addition, this exemption does not include laser cutting, etching and engraving equipment that are rated more than 400 watts.”

Equipment that is an integral part of an operation requiring a written permit {219 (e)(21)}

Staff proposes to identify quench tanks and other associated equipment that are an integral part of an operation requiring a written permit, in order to specify that such equipment shall continue to

be exempt under paragraph (e)(12), only as long as the equipment is identified, described in detail and submitted for inclusion into the permit equipment description with any application for Permit to Construct or Permit to Operate. This includes any application for permit modification subsequent to the date in paragraph (u)(7), or sixty days after the date of rule amendment.

Staff proposes the following language for paragraph (e)(21):

“Notwithstanding the exemptions in paragraph (e)(12), equipment existing as of [date of adoption] that is subject to the aforementioned exemptions and that is an integral part of an operation requiring a written permit shall continue to be exempt, provided the equipment is identified, described in detail and submitted for inclusion into the permit equipment description with any associated application for Permit to Construct or Permit to Operate. Equipment described in this paragraph includes, but is not limited to quench tanks that are part of a heat treating operation.”

Shredding of wood products {219(g)(2)}

Staff proposes to clarify the exemption for wood products under paragraph (g)(2) to exclude certain operations. The purpose for this amendment is to ensure that shredding of greenwaste and painted or treated wood waste are not included as exempt operations. Shredding of greenwaste has the potential for nuisance odors and particulate matter emissions, and is currently regulated under Rule 1133.1, Chipping and Grinding Activities. The language that staff proposes to include in paragraph (g)(2) is from the definition for greenwaste in Rule 1133.1, as follows: *“any organic waste material generated from gardening, agriculture, or landscaping activities including, but not limited to, grass clippings, leaves, tree and shrub trimmings, and plant remains.”*

Painted or treated woods have the potential for toxics emissions if they are shredded. For example, wood treated for exterior exposure may contain creosote or chromated copper arsenate. In addition, construction and demolition debris from very old homes under renovation may contain lead-based paints. Shredding of these woods may release toxics emissions. Shredding of greenwaste, painted woods or woods treated for exterior exposure are operations that the District has routinely permitted.

Staff proposes the following amended language for paragraph (g)(2):

“Wood Products: Equipment used exclusively for shredding of wood, or the extruding, handling, or storage of wood chips, sawdust, or wood shavings and control equipment used to exclusively vent such equipment, provided the source of the wood does not include wood that is painted or treated for exterior exposure, or wood that is comingled with other construction and demolition materials. This exemption does not include internal combustion engines over 50 bhp, which are used to supply power to such equipment. In addition, this exemption does not include the shredding, extruding, handling or storage of

any organic waste material generated from gardening, agricultural, or landscaping activities including, but not limited to, leaves, grass clippings, tree and shrub trimmings and plant remains.”

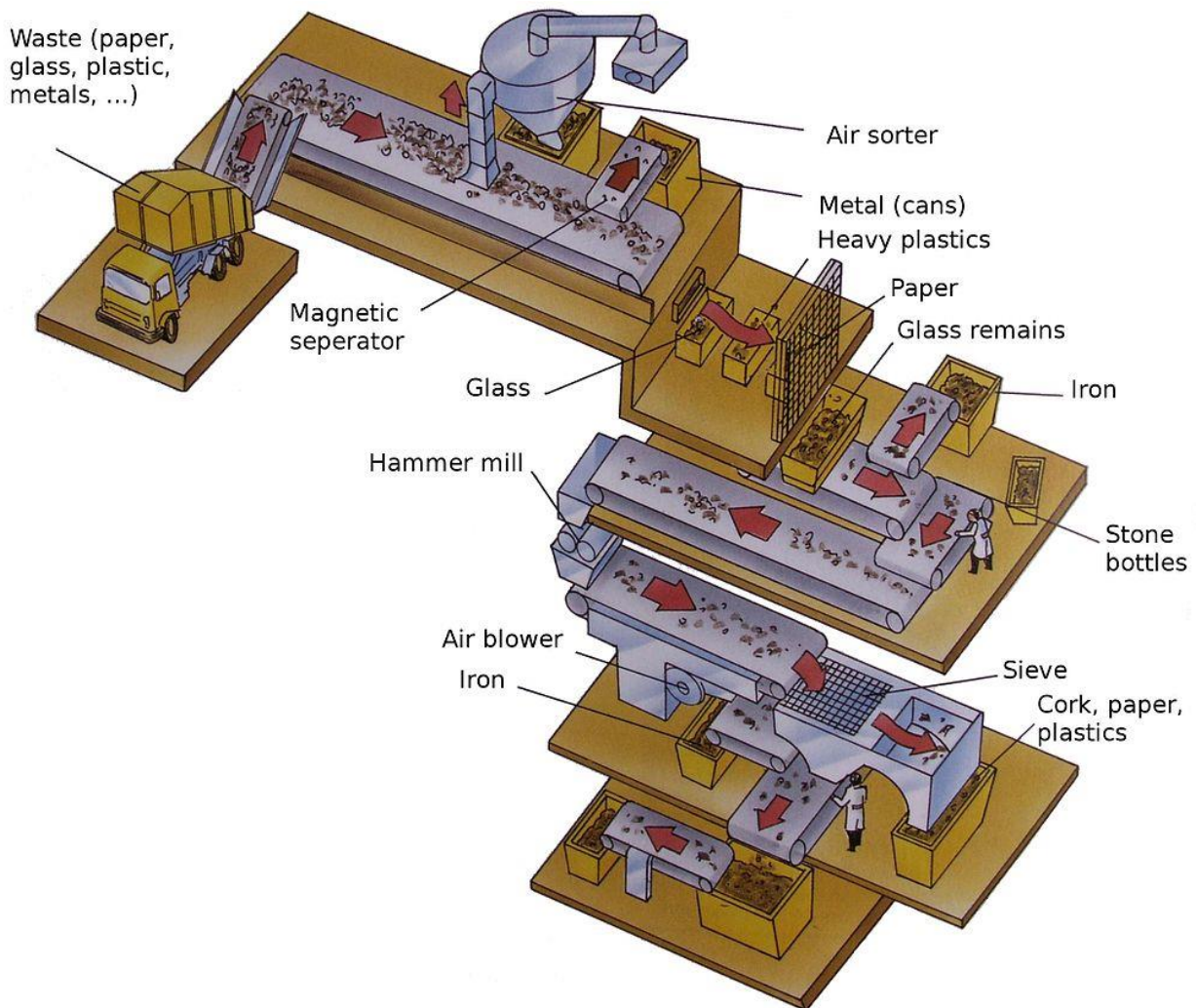
Staff does not anticipate any additional cumulative emissions with this revision.

Equipment for separation/segregation of plastic materials for recycling {219(g)(4)}

This proposed exemption represents a new exemption category for separation and segregation of plastic materials for recycling purposes. Common types of plastics intended for separation include polyethylene terephthalate (PET), high density polyethylene (HDPE), polyvinyl chloride (PVC) and polypropylene (PP) plastics. Material separation from a waste stream may be automated or manual. In addition, the increasing number of plastic resins that can potentially be marketed at high value have made direct-and-route (DAR) systems for plastics very cost-effective. In a DAR system, the properties of the material are first identified with detectors. The information from the sensors concerning the identification and location of the material is stored. Using the identification of the object, the location of the object and the speed of the conveyor, the system removes the object when it reaches an appropriate diversion point.

Types of equipment used for automated separation may consist of the following: conveyors, cyclone separators, air (pneumatic) blowers, screens, sieves, drum separators, air tables and many others. A general view of separation activities at a material recovery facility (MRF) from a co-mingled waste stream is shown in Figure 2-1 below. In general, at a MRF, plastic material is sorted to specification, then baled, shredded, crushed, compacted, or otherwise prepared for shipment to market.

Figure 2-1
Waste Stream Separation at a Material Recovery Facility



Staff believes separation and segregation activities have very limited potential for particulate matter or other criteria pollutant emissions. Staff believes there is potential for nuisance odors emitted during the sorting and segregation of plastic materials; however, these activities are currently addressed in Rule 410, Odors from Transfer Stations and Material Recovery Facilities.

Rule 410 was designed to reduce odors from facilities conducting transfer and sorting of solid waste. Transfer stations are where municipal solid waste, greenwaste, and construction and demolition materials are transferred from small vehicles such as refuse trucks to large transfer trucks for transport to landfills, recycling centers, and other disposal sites. Material recovery facilities sort and separate recyclable materials from solid waste.

During rule development, staff became aware of a facility that recycles clear plastic containers from MRFs. There were odor issues from this facility's practice of shredding and subsequent

outdoor storage of dairy containers and other containers with residual organic material outside. Therefore, the proposed exemption only allows for recycling (i.e. separating and sorting) operations where no mechanical grinding, shredding or cutting takes place.

The intent of this exemption is twofold: 1) provide an exemption for equipment used in simple separation and sorting activities; and 2) limit the exemption such that shredding of plastics is not allowed under the exemption. Shredding of plastic materials intended for recycling is an activity that requires a permit.

Staff proposes the following new language for paragraph (g)(5):

“Equipment used for separation or segregation of plastic materials intended for recycling, provided there is no mechanical cutting, shredding or grinding and where no odors are emitted.”

Ultraviolet (UV) and electron beam coating and printing operations {219(h)(1)(C), (l)(6)(B) and (l)(11)(B)}

Staff has received multiple industry requests over the past several iterations of Rule 219/222 to further recognize printing and coating and adhesive application processes that are based on ultraviolet/electron-beam (UV/EB) curing. Currently, use of such technologies have been incentivized through permit exemption criteria. These criteria are given in Table 2-2:

Table 2-2 – Existing Permit Exemption Criteria for UV/EB Printing and Coating Criteria

Citation	Equipment Permit Exemption Criteria	Other Conditions (Citation)
(h)(1)(C) (l)(6)(B) (l)(11)(B)	Non-solvent-borne and non-water borne UV/EB materials and associated VOC containing solvent use \leq 6 gal/day (\leq 132 gal/mo); or \leq 3 lb/day VOC emissions	<ul style="list-style-type: none"> ▪ Recordkeeping per Rule 219 (t) ▪ Facility-wide $<$ 4 tpy VOC (s)(3)
(h)(1)(E) (l)(6)(F) (l)(11)(F)	All materials \leq 50 g/l VOC and clean-up solvents \leq 25 g/l VOC and $<$ 1 tpy VOC emissions	<ul style="list-style-type: none"> ▪ Registration under Rule 222 ▪ Recordkeeping per Rule 219 (t) ▪ Facility-wide $<$ 4 tpy VOC (s)(3)

A representative from the industry has suggested that the multiple criteria is confusing to regulated facilities and there should be additional incentive options to promote lower polluting coating and printing technologies that do not rely on the use of additional pollution control equipment or supplemental drying. In addition, this representative has further indicated that the registration component in the current exemption language serves as a deterrent to certain facility operators to elect a process conversion to UV/EB. The industry representative also requests that the emerging

technology based on the use of UV light emitted diode (LED) curing be included in any considerations.

The following exemption pathways listed in Table 2-3 are proposed to address the UV/EB/LED industry.

Table 2-3 – Proposed Permit Exemption Criteria for UV/EB Printing and Coating Criteria

Citation (New)	Proposed Equipment Permit Exemption Criteria	Proposed Other Conditions (Citation)
(h)(1)(DE) (l)(6)(EF) (l)(11)(EF)	All UV/EB/LED-cured materials and other materials \leq 50 g/l VOC and clean-up solvents \leq 25 g/l VOC and $<$ 1 tpy VOC emissions	<ul style="list-style-type: none"> ▪ Recordkeeping per Rule 219 (t) ▪ Facility-wide $<$ 4 tpy VOC (s)(3) ▪ Registration under Rule 222, or annual submittal of <u>low-VOC verification records</u> already required to be kept under Rule 109 that demonstrate facility is using $<$50 g/L materials, 25 g/L cleanup solvents and meets mass emission limit of $<$1 ton/year VOC emissions.

The proposed change is to ~~remove~~ allow either ~~the~~ registration, or allow a verification of annual records (which are already required) to be kept to be submitted to the Executive Officer ~~requirement~~, provided that VOC emissions do not exceed one ton per year and the UV/EB/LED-cured materials and associated clean-up solvents do not exceed the proposed concentration limits. This option for either registration or records submittal, which addresses the industry's concern over use of the registration as a deterrent. The proposed change is technology-neutral; that is, it removes any reference to UV/EB/LED technology and this exemption becomes available to any low-VOC technology where a facility owner or operator can demonstrate that material concentrations are less than 50 grams per liter (g/L) of VOC, and clean-up solvents are less than 25 g/L VOC for all materials used. The owner or operator must also keep records to demonstrate that annual emissions do not exceed 1 ton per year (tpy) of VOC. Under Rule 109, the owner or operator is already required to keep these records and retain them on site. Currently, under existing Rule 219, facilities meeting concentration limits of 50 g/L for materials and 25 g/L VOC for cleanup solvents are required to register under Rule 222. However, under the staff proposal, facilities are allowed to either register and remain in the registration program, or instead opt out of the registration program and submit a verification of annual records that are already required to be kept. Facilities that elect to submit the forms in lieu of registration will submit a verification that the VOC content of all materials used for the preceding year (excluding cleanup solvents) was 50 g/L or less, the VOC content of all cleanup solvents used was 25 g/L or less, and that the total quantity of VOC emissions did not exceed one ton for the preceding year. The intent of this option

is to provide another compliance option that is less costly than registration, while allowing SCAQMD to verify compliance with the VOC concentration limits and annual 1 tpy emission limit. Staff has developed a sample form for submittal of this verification. The form is included as Appendix B: Sample Annual Record Submittal Form for Printing, Coating and Drying Equipment Pursuant to Rule 219 (h)(1)(E)(ii), (l)(6)(F)(ii) or (l)(11)(F)(ii) in Lieu of Registration.

The registration currently has an initial processing fee of \$198.13 when applying for a filing and an annual operating fee of \$198.13 thereafter, per Rule 301 – Permitting and Associated Fees. If a facility submits a verification of compliance, there is no fee. An annual submittal to verify compliance is required, beginning March 1, 2018 and continuing every March 1 thereafter, for the preceding calendar year.

Staff believes this approach will not only level the playing field with regard to all coating, printing and drying operations, but will also allow each facility to be identified, in order to verify compliance under the proposed exemptions.

~~Staff proposes to delete the language under subparagraphs (h)(1)(C), (l)(6)(B) and (l)(11)(B). Staff further proposes to add the following amended language under (h)(1)(~~DE~~), (l)(6)(~~EF~~) and (l)(11)(~~EF~~) in order to extend the exemption alternative to all VOC-containing materials in the following categories:~~

(h)(1)(~~DE~~): *“all inks, coatings and adhesives, fountain solutions, and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either:*

(i) _____ a filing pursuant to Rule 222 is submitted to the Executive Officer;
or

(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is ~~records are~~ submitted to the Executive Officer ~~for the preceding calendar year, in a format approved by the Executive Officer, to demonstrate compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit in accordance with paragraph (u)(8).~~

(l)(6)(~~EF~~): *“all coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the*

total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either:

(i) a filing pursuant to Rule 222 is submitted to the Executive Officer;
or

(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is ~~records are~~ submitted to the Executive Officer for the preceding calendar year, in a format approved by the Executive Officer, to demonstrate compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit in accordance with paragraph (u)(8)."

(l)(11)(~~EF~~) "all coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either:

(i) a filing pursuant to Rule 222 is submitted to the Executive Officer;
or

(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is ~~records are~~ submitted to the Executive Officer for the preceding calendar year, in a format approved by the Executive Officer, to demonstrate compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit in accordance with paragraph (u)(8)."

~~Minor clarifications were made in the paragraphs and subparagraphs subsequent to (h)(1)(C), (l)(6)(B) and (l)(11)(B) to remove the usage thresholds associated with UV/EB materials and instead rely on the 3 lb/day emissions based threshold contained in (h)(1)(A), (l)(6)(A) and (l)(11)(A) as requested by industry.~~

Coffee roasting equipment {219(i)(8)}

This proposed exemption represents an increase in capacity for an exemption category under PAR 219. Currently, coffee roasting equipment is limited to 10-pound capacity per batch roasted. Small coffee roasters are commonly sold in sizes up to 15-kg capacity (33 lbs). From permits issued recently the average heat input rating for coffee roasters in that range is 102,000 Btu/hr. NOx emissions are calculated to be less than a pound per day, even assuming 24 hr/day operation. PM10 and VOC emissions are typically well under a pound per day, even uncontrolled. Coffee roasting equipment up to 15 kg/batch is not used for heavy production.

Typical usage for a small roaster is to roast a couple of batches per hour for a few hours per day. Therefore, emissions of NO_x, PM₁₀ and VOC are all expected to be well under 1 lb/day.

Currently, new and relocated roasters are subject to the requirements of Rule 1147. Each is required to be source tested to demonstrate compliance. Most small coffee roasters are operated by small businesses. The cost to source test may be a financial burden on these small businesses, for minimal reductions in NO_x. For example, assuming a 24 hr/day operating schedule for the average 102,000 Btu/hr roaster burner results in only 0.3 lbs/day of NO_x emissions. At the 30 ppm NO_x limit, as required under Rule 1147, the maximum daily emissions are calculated to be 0.1 lbs/day. Thus the reduction in NO_x for a coffee roaster subject to Rule 1147 limits compared to exempting this equipment is negligible. Staff found 10 permitted coffee roasters in the size range from 10 lbs to 15 kg (33 lbs).

Staff proposes the following amended language for paragraph (i)(8):

“Coffee roasting equipment with a maximum capacity of 15 kilograms or less, and control equipment used to exclusively vent the equipment.”

Charbroilers, barbeque grills and other underfired grills {219(i)(12)}

This amendment represents a clarification to an existing exemption. The existing language exempts charbroilers *“in multi-family residential units only if used by the owner or occupant of such dwelling”*. Staff proposes to make the exemption more general to include barbecue grills and other underfired grills fired on solid or gaseous fuels consistent with the intent of the current exemption. The existing language of the exemption requires that all charbroilers, barbecue grills and other underfired grills are only used for non-commercial purposes.

Staff proposes the following amended language for paragraph (i)(12):

“Charbroilers, barbecue grills, and other underfired grills fired on solid or gaseous fuels used for non-commercial purposes.”

Equipment used to brew beer {219(i)(13)}

This exemption represents a new exemption category under PAR 219. The production of beer is comprised of three main stages: brewhouse operations, fermentation, and packaging. VOC is emitted from all three processes although packaging (filling of bottles and kegs) represents the largest contributor. The majority of the VOC emissions from beer brewing operations are from ethanol. Analysis conducted by San Diego APCD on small breweries and reviewed by staff demonstrates that VOC emissions are very low for beer production of less than 1,000,000 gallons per year.

The brewhouse operations generally consist of the mashing, lautering, brewing, and trub separation steps. Mashing is the process where the milled malts are mixed with hot water in a mash tun to convert the grain starches to fermentable sugars. The finished desired product of mashing is a grain slurry called a mash. The mash is transferred to a lauter tun to separate insoluble grain residues or husks from the mash. The desired product without the insoluble grain residues is called the wort. The wort is transferred to a brew kettle to be boiled with hops for flavor and aroma. After the boiling kettle, the wort is transferred to a container to separate the wort from the spent hops and other insoluble material (trub). The wort is cooled and then transferred to fermenters. Yeast is introduced as the cooled wort is transferred into the unheated fermenters. Yeasts react with the sugars in the wort to produce desired ethanol. Fermentation can range from days to weeks depending on the product.

Beer is then filtered to remove any unused yeast and are ultimately transferred to bright beer tanks. The bright beer tanks are used to store the beer until it is ready to be packaged. Packaging consists of filling the beer product into kegs, bottles, or cans. Boilers ~~and silo tanks~~ are also involved in brewing operations, but these equipment are permitted separately.

Staff proposes the following new language for paragraph (i)(13):

“Equipment used to brew beer for human consumption at breweries that produce less than 1,000,000 gallons of beer per calendar year and associated equipment cleaning provided all equipment used in the manufacturing operation is exempt pursuant to paragraph (b)(2). This exemption does not apply to boilers ~~or silos~~.”

~~Staff is working to build an inventory of small beer manufacturers that would be subject to this exemption.~~

Equipment used to manufacture dehydrated meat {219(i)(14)}

This exemption represents a new exemption category under PAR 219. The processes involved in manufacturing of dehydrated meats represent a small source of emissions of VOC and PM. Low emissions of VOC and PM were demonstrated at two facilities that manufacture dehydrated meats: one facility makes beef and pork jerky for human consumption; the other makes jerky for pets. Source tests conducted at these two facilities demonstrate low emissions of less than 1 lb/day of both VOC and PM emissions in the dehydration process, tumblers that marinate the meat with spices, sugar and soy products and small conveyor grills that char the jerky after the dehydration oven. The dehydrators operate at 180 to 185 degrees Fahrenheit; lower temperatures than typical food ovens. As the VOC emissions profile is low from the dehydration process and the dehydrators operate at low temperatures, staff does not propose to require a registration under Rule 222, as required for other food ovens. Therefore, staff ~~Staff~~ proposes the following new language for paragraph (i)(14):

“Equipment used to manufacture dehydrated meat for human or pet consumption provided non-combustion VOC and PM emissions including emissions from materials used for cleaning are each one pound per day or less, and the operating temperature is less than 190 degrees Fahrenheit for dehydrating ovens, and provided such equipment is either fired exclusively on natural gas with a maximum heat input capacity of 2,000,000 Btu/hour or less, or is electric-is exempt pursuant to paragraph (b)(2).”

VOC-containing liquid storage and transfer {219(m)(9)}

The proposed amendment represents a clarification to an existing exemption for VOC-containing storage tanks. During rule development, staff became aware of a circumstance in which multiple tanks of the same VOC-containing liquid were stored on a mobile platform for a similar purpose to avoid permitting requirements. Staff proposes to re-affirm the intent of this exemption to be such that it applies only to a single tank of a VOC-containing liquid or odorant for natural gas, propane or oil. In situations where multiple tanks of the same VOC-containing liquid or odorant are mounted on a single mobile platform, and the capacity of each tank is less than 251 gallons but if the cumulative capacity is greater than 251 gallons, a permit would be required.

To prevent circumvention of the stated intent of this exemption, staff proposes the following amended language:

“Equipment used exclusively for VOC containing liquid storage or transfer to and from such storage, of less than 950 liters (251 gallons) capacity or equipment used exclusively for the storage of odorants for natural gas, propane, or oil with a holding capacity of less than 950 liters (251 gallons) capacity and associated transfer and control equipment used exclusively for such equipment provided a filing pursuant to Rule 222 is submitted to the Executive Officer. This exemption does not include asphalt. In addition, this exemption does not apply to a group of more than one VOC-containing liquid or odorant tank where the combined storage capacity of all tanks exceeds 950 liters (251 gallons), and where the tanks are mounted on a shared mobile platform and stored at a facility.”

Storage of aqueous urea solutions {219(m)(24)}

This proposed source category represents a new exemption category under PAR 219. During rule development, a stakeholder asked staff to consider an exemption for urea storage tanks. The requestor uses urea as a reductant for selective catalytic reduction (SCR) for engines fired on digester gas. Urea is safer to store than ammonia, but requires conversion to ammonia through thermal decomposition in order to be used as an effective reductant.⁷ As stored in this application, the urea solution has a boiling point close to that of water. In addition, it has a vapor pressure of less than 1 mmHg at 20 degree C. Staff determined that for a 1,000 gal tank and limited turnovers

⁷ Steam: Its Generation and Uses. [Babcock & Wilcox](#)

of the tank per day, ammonia emissions were estimated to be 0.01 lb/day. Some facilities have urea mixing tanks that blend powdered urea and water. For those situations, permit engineering staff applies a fugitive PM emission factor to the tanks for emissions during power loading. These tanks are not included under this exemption and will continue to require a written permit. Only aqueous solutions of urea where it is already mixed with water would be included under the exemption.

Due to the low potential for emissions of ammonia and PM, staff proposes to exempt urea tanks from requiring a written permit and move them to the more streamlined filing program under Rule 222. Staff proposes the following new language:

“Tanks for aqueous urea solutions with a capacity of 6,500 gallons or less, provided a filing pursuant to Rule 222 is submitted to the Executive Officer. This exemption does not include tanks used for blending powdered urea and water.”

Natural gas and crude oil production equipment {219(n)}

The necessity for changes to subdivision (n) arises due to the CARB Regulation Order for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities.⁸ This regulation was adopted in March 2017. It addresses fugitive and vented emissions from new and existing oil and gas facilities. CARB is working with all air districts, including SCAQMD, to develop control strategies and craft ways to implement and enforce the new standards. The regulation will also address early detection and emission reductions for large natural gas leaks, such as at Aliso Canyon in 2015 and 2016.

The CARB regulation will regulate greenhouse gases, including methane from specific equipment at crude oil and natural gas facilities. Historically SCAQMD has not regulated methane, which is not considered a VOC. However, SCAQMD compliance personnel will inspect equipment addressed under the proposed regulation. As such, CARB requires that all equipment addressed by the new regulation be either permitted or registered by the local air district, or be subject to permitting by CARB. Staff believes that nearly all of this equipment is already permitted or registered under Rule 222. However, there may be limited numbers of equipment that have not been subject to either permit or registration. These include equipment exclusively handling natural gas.

Subdivision (n) currently exempts six categories of equipment. Of these six categories, one is required to submit registrations: well heads and well pumps. These are required to be registered in groups of 4 well heads or well pumps.

⁸ <https://www.arb.ca.gov/regact/2016/oilandgas2016/oilgasappa.pdf>

Staff proposes to bring two other groups of equipment into the Rule 222 filing program, as opposed to requiring a written permit. These groups of equipment are currently exempted under paragraph (n)(2) – natural gas pipeline transfer pumps, and (n)(3) - and includes natural gas repressurizing equipment. There is additional discussion of the changes to this equipment group regarding the Rule 222 filing program in Chapter 4.

Staff proposes the following amended language to paragraphs (n)(1) through (n)(3) in subdivision (n) - Natural Gas and Crude Oil Production Equipment:

- “(1) Well heads and well pumps, provided a filing pursuant to Rule 222 is submitted to the Executive Officer.*
- (2) Crude oil and natural gas pipeline transfer pumps, provided a filing pursuant to Rule 222 is submitted to the Executive Officer for natural gas pipeline transfer pumps.*
- (3) Gas, hydraulic, or pneumatic repressurizing equipment, provided a filing pursuant to Rule 222 is submitted to the Executive Officer for natural gas repressurizing equipment.”*

Surface preparation tanks {219(p)(4)}

The proposed amendment will limit the exemption for tanks used for surface preparation. During rule development, staff became aware that certain rinse and seal tanks used downstream of heat treating or metal melting operations may contain levels of hexavalent chromium or other toxic metals that create a toxics concern. Many of these tanks are currently exempted under the existing language of paragraph (p)(4), although they would be subject to permitting in accordance with paragraph (s)(2) if the toxic risk exceeds the applicable Rule 1401 – New Source Review of Toxics contaminant threshold.

Staff proposes to clarify the language of subparagraph (p)(4)(F) to remove the existing specific exemption for heated surface preparation tanks containing salt solutions. In addition, staff proposes to add lead to the list of toxic metals that are not allowed under the exemption. There is a concern regarding potential higher toxics emissions from heated tanks in comparison to a non-heated tank. Staff therefore proposes the following language for subparagraph (p)(4)(F):

“salt solutions, except for air-sparged, heated or rectified processes with salt solutions containing hexavalent chromium, chromates, dichromates, nickel, ~~or~~ cadmium or lead.”

In addition, staff proposes to add language to paragraph (p)(4) that clarifies that the exemption does not apply to any surface preparation tank containing chromium, or any tank containing nickel, lead or cadmium that is rectified, sparged or heated. The intent behind removing these tanks from the exemption language is that they must in the future be listed on an SCAQMD permit. For example, dichromate seal tanks at facilities that conduct heat treating operations that may not

currently be permitted must now be listed on an SCAQMD permit under this proposal. Staff therefore proposes the following amended language to paragraph (p)(4):

“Equipment used exclusively for surface preparation, including but not limited to paint stripping, pickling, desmutting, de-scaling, passivation, and/or deoxidation, and any water and associated rinse tanks and waste storage tanks exclusively to store the solutions drained from the equipment, that exclusively uses any one or combination of the materials in subparagraphs (p)(4)(A) through (p)(4)(H). This exemption does not include any tank that contains chromium, or contains nickel, lead or cadmium and is rectified, sparged or heated.

Equipment used for plating, stripping or anodizing of metals {219(p)(5)}

The proposed amendment will limit the exemption for equipment used for plating, stripping or anodizing of metals, for the same concerns regarding potential emissions of toxic metals that are expressed in the discussion of surface preparation tanks under paragraph (p)(4). Staff proposes to remove the existing specific exemption for electrolytic plating of lead under subparagraph (p)(5)(A) due to the concern for lead emissions from the electrolytic plating process. When lead was originally included under this exemption, the rationale was that electrolytic lead plating was a very efficient process. However, during rulemaking staff learned of a recent concern regarding potentially high lead emissions from electrolytic plating. Therefore, staff proposes the following language for subparagraph (p)(5)(A):

“electrolytic plating of exclusively brass, bronze, copper, iron, tin, ~~lead~~ zinc, and precious metals;”

In addition, staff proposes to add language to paragraph (p)(4) that clarifies that the exemption does not apply to any tank used for plating, stripping or anodizing that contains chromium, or any tank containing nickel, lead or cadmium that is rectified, sparged or heated. The intent behind removing these tanks from the exemption language is that they must in the future be listed on an SCAQMD permit. Staff therefore proposes the following amended language for paragraph (p)(5):

“Equipment used exclusively for the plating, stripping, or anodizing of metals as described in subparagraphs (p)(5)(A) through (p)(5)(G). This exemption does not include any tank that contains chromium, or contains nickel, lead or cadmium and is rectified, sparged or heated.”

Paper, carpet and fabric operations {219(p)(10)}

The proposed amendment includes two new operations as exempt: fabric brushing and fabric sueding. Both operations are performed on cotton and cotton/poly fabrics. These operations are mechanical finishing processes in which a fabric is abraded on one or both sides to raise or create a fibrous surface. This fibrous surface improves the fabric appearance, gives the fabric a softer, fuller hand, and can mask fabric construction and subdue coloration. These improved aesthetics can increase the value of a fabric in the marketplace. Sueded fabrics develop a very low pile and

the material surface can be made to feel like suede leather.⁹ The material by-products from fabric brushing and sueding operations are larger than PM₁₀ and therefore, is not considered dust. Staff has identified one facility that performs fabric brushing and sueding operations.

Staff identified a single facility that conducts brushing and sueding operations and proposes the following amended language for paragraph (p)(10):

“Paper shredding and carpet and paper shearing, fabric brushing and sueding as well as associated conveying systems, baling equipment, and control equipment venting such equipment. This exemption does not include carpet and fabric recycling operations.”

Equipment that is an integral part of an operation requiring a written permit {219 (p)(23)}

Staff proposes to identify rinse tanks, dye tanks and seal tanks and other associated equipment that are an integral part of an operation requiring a written permit, in order to specify that such equipment shall continue to be exempt under paragraphs (p)(4) and (p)(5), and other exemptions in subdivision (p), as appropriate, only as long as the equipment is identified, described in detail and submitted for inclusion into the permit equipment description with any associated application for Permit to Construct or Permit to Operate. This includes any application for permit modification subsequent to the date in paragraph (u)(7), or sixty days after the date of rule amendment.

Staff proposes the following language for paragraph (p)(23):

“Notwithstanding the exemptions in this subdivision, equipment existing as of [date of adoption] that is subject to the aforementioned exemptions and that is an integral part of an operation requiring a written permit shall continue to be exempt, provided the equipment is identified, described in detail and submitted for inclusion into the permit equipment description with any application for Permit to Construct or Permit to Operate. Equipment described in this paragraph includes, but is not limited to, rinse tanks, dye tanks and seal tanks that are part of a metal finishing operation, including but not limited to plating, anodizing and surface preparation.”

Exceptions to exemption {219(s)(4) }

New paragraph (s)(4) represents a new category for exceptions to exemptions under PAR 219. The basis of the proposed change is that certain equipment may in the future become subject to additional requirement under Regulation XIV – Toxics and Other Non-criteria Pollutants. For example, certain grinding equipment at forging facilities may be subject to source specific requirements under ~~Proposed Rule (PR)-1430 - Control of Emissions from Grinding Operations at~~

⁹ <http://textilelearner.blogspot.com/2013/01/sueding-machine-specification-of.html>

Metal Forging Facilities, including additional control measures, pollution control devices or permitting. ~~PR 1430 is currently scheduled to be heard by the SCAQMD Governing Board in 2017.~~ Under the proposed language in PAR 219(s)(4), ~~if PR 1430 is adopted,~~ any grinding equipment that is currently exempted under Rule 219 paragraph (g)(1) will need to be revisited with respect to any requirements to obtain a written permit after the effective date in Rule 1430.

Staff proposes the following amended language for paragraph (s)(4):

“Equipment or control equipment subject to permitting requirements pursuant to Regulation XIV - Toxics and Other Non-criteria Pollutants.”

Compliance dates {219(u)(7) ~~and (u)(8)~~}

Staff is proposing ~~a two~~ new compliance dates for submittal of information. Under paragraph (u)(7), 60 days after amendment of Proposed Amended Rule 219, the owner or operator of any quench tank currently exempt under paragraph (e)(12), or any rinse tank, dye tank or seal tank currently exempt under paragraphs (p)(4) or (p)(5) that are an integral part of an operation requiring a written permit, are required to be identified, described in detail and submitted for inclusion into the permit equipment description with any application for Permit to Construct or Permit to Operate. It is the intent of paragraph (u)(7) that such equipment will continue to be exempt under paragraphs (e)(12), (p)(4) and (p)(5) as long as the equipment is listed on an associated permit. It is also the intent that the exempt equipment will not be evaluated for compliance with New Source Review under SCAQMD Regulation XIII, or compliance with Rule 1401, New Source Review of Toxic Air Contaminants, or compliance with Rule 1147 - Emissions of Oxides of Nitrogen from Large Water Heaters and Small Boilers and Process Heaters, unless staff determines that the equipment is not exempt pursuant to paragraph (e)(12), (p)(4) or (p)(5).

Staff proposes the following new language for paragraph (u)(7):

“Notwithstanding paragraph (u)(1), effective [sixty days after date of amendment], an owner/operator submitting an application for Permit to Construct or Permit to Operate pursuant to Rules 201 or 203 shall comply with paragraphs (e)(21) and (p)(23).”

~~The second compliance date proposed for inclusion into Rule 219 under paragraph (u)(8) requires submittal of records to the Executive Officer for all facilities choosing to comply with the VOC exemption limits in paragraphs (h)(1)(D), (l)(6)(E), and (l)(11)(E). Operators using UV/EB materials or other low-VOC materials with a VOC content of fifty (50) grams or less of VOC per liter of material are currently required to register under Rule 222. The registration has an initial processing fee of \$198.13 when applying for a filing and an annual operating fee of \$198.13 thereafter. If a facility submits records under Rule 109, as described in the following paragraphs, there is no fee, in contrast to registration.~~

~~UV/EB materials include inks, coatings and adhesives, fountain solutions, and associated VOC containing solvents under paragraph (h)(1)(D), coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents under paragraphs (l)(6)(E) and (l)(11)(E). In addition, under these paragraphs, operators would be limited to cleanup solvents containing twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions cannot exceed one ton per calendar year.~~

~~Under the staff proposal, operators will have the option of either submitting a filing to the Executive Officer pursuant to Rule 222, or submitting records of material concentrations to the Executive Officer that are already required and are maintained onsite pursuant to Rule 109 to demonstrate that only compliant materials were used and facility emissions from coating, printing and drying operations are less than one ton per year of VOC. Documentation through either Rule 222 registration, or submitting Rule 109 records will provide necessary information to the SCAQMD staff to identify facilities that are using this provision and to verify compliance.~~

Staff proposes the following new language for paragraph (u)(8):

~~“Effective March 1, 2018 and every March 1 thereafter, the owner or operator of equipment exempt pursuant to subparagraphs (h)(1)(D), (l)(6)(E), or (l)(11)(E) shall submit records kept in accordance with subdivision (t) in a format approved by the Executive Officer for the preceding calendar year to demonstrate compliance with material and cleanup solvent VOC content limits and the annual mass VOC emission limit.~~

REVISIONS TO EXISTING RULE LANGUAGE

Staff is proposing several revisions to the current rule language in Rule 219 for purposes of clarifying the intent of the existing rule language.

Revisions to paragraph {219(c)(5)}

Staff proposes to revise the language in Rule 219 paragraph (c)(5) to clarify that the exemption for equipment used in a dwelling does not include non-emergency internal combustion engines that provide prime power to a structure. During rule development, staff became aware of a situation where an internal combustion engine was being used to provide prime power in a residence without having obtained a written permit. The application in this case is to provide power for an elevator in a private residence. Staff proposes to clarify the existing exemption language such that it does not apply to non-emergency internal combustion engines that provide prime power to a structure, because of the higher emissions potential and nuisance potential from such applications. The revised language follows: *~~“Equipment utilized exclusively in connection with any structure which is designed for and used exclusively as a dwelling for not more than four families, and where such equipment is used by the owner or occupant of such a dwelling. This exemption does not include~~*

~~*non-emergency internal combustion engines used to provide prime power for the structure.*~~ Staff does not anticipate any additional cumulative emissions with this revision.

Revisions to paragraph {219(e)(12)}

Staff proposes to revise the language in Rule 219 paragraph (e)(12) to state specifically that heat treatment equipment includes water quench tanks associated with the heat treatment process, in order to identify the equipment that is an integral part of an operation requiring a written permit that must be identified pursuant to paragraph (e)(21) in an application for future Permits to Construct and Permits to Operate after amendment of PAR 219. Water quench tanks are currently exempt under the existing language. The proposed change clarifies this exemption. The revised language follows: *“Heat treatment equipment and associated water quench tanks used exclusively for heat treating glass or metals (provided no volatile organic compound materials are present), or equipment used exclusively for case hardening, carburizing, cyaniding, nitriding, carbonitriding, siliconizing or diffusion treating of metal objects, provided any combustion equipment involved is exempt pursuant to paragraph (b)(2).”*

Revisions to paragraph {219(e)(14)}

Staff proposes to revise the language in Rule 219 paragraph (e)(14) to clarify that control equipment for solid material cleaning and deburring activities are included in this exemption. The revised rule language is as follows: *“Tumblers used for the cleaning or deburring of solid materials, and associated air pollution control equipment.”* Staff does not anticipate any additional cumulative emissions with this revision.

Revisions to paragraph {219(i)(3)}

Staff proposes to revise the language in Rule 219 paragraph (i)(3) to clarify that that confection cookers are exempt from a written permit only if they are also compliant with the requirements of paragraph (b)(2). This means the confection cooker must have a rated maximum heat input capacity of 2,000,000 Btu per hour (gross) or less and be equipped to be heated exclusively with natural gas, methanol, liquefied petroleum gas, or any combination thereof. The revised rule language is as follows: *“Confection cookers where products are edible and intended for human consumption, provided such equipment is exempt pursuant to (b)(2).”* Staff does not anticipate any additional cumulative emissions with this revision.

Revisions to paragraph {219(j)(4)}

Staff proposes to revise the language in Rule 219 paragraph (j)(4) to clarify that recycling of polystyrene is not included under the exemption for equipment used to soften or anneal plastics. This language is necessary to address potential toxics (styrene) emissions during recycling operations. The revised rule language is as follows: *“Equipment used exclusively for softening or annealing plastics, provided such equipment is exempt pursuant to paragraph (b)(2). This exemption does not include equipment used for recycling of expanded polystyrene.”* Staff does not anticipate any additional cumulative emissions with this revision.

Revisions to paragraph {219(j)(6)}

Staff proposes to revise the language in Rule 219 paragraph (j)(6) to make it more readable and understandable. The revised rule language is as follows: *“Injection or blow molding equipment for rubber or plastics where no blowing agent is used, or where only compressed air, water or carbon dioxide is used as a blowing agent, and control equipment used to exclusively vent such equipment.”* Staff does not anticipate any additional cumulative emissions with this revision.

Revisions to paragraph {219(l)(9)}

Staff proposes to revise the language in Rule 219 paragraph (l)(9) to clarify that the exemption for portable coating equipment and pavement stripers was meant to only include operations conducted at ambient temperature. If supplemental heat is added during the process, the operation must obtain a written permit. The revised rule language is as follows: *“Portable coating equipment and pavement stripers used exclusively for the application of architectural coatings, and associated internal combustion engines provided such equipment is exempt pursuant to subdivision (a) or paragraph (b)(1) and provided no supplemental heat is added during pavement striping operations.”* Staff does not anticipate any additional cumulative emissions with this revision.

Revisions to paragraph {219(o)(3)}

Staff proposes to revise the language in Rule 219 paragraph (o)(3) to clarify that the exemption for cleaning equipment using materials with a VOC content of 25 g/l or less (and associated dryers serving these cleaners) does not include equipment used for cleaning of diesel particulate filters (DPF) which are subject to permitting requirements due to increased toxicity. The revised rule language is as follows: *“Cleaning equipment using materials with a VOC content of twenty-five (25) grams of VOC per liter of material, or less, and associated dryers exclusively serving these cleaners, provided such equipment is also exempt pursuant to paragraph (b)(2). This exemption does not include equipment used for cleaning of diesel particulate filters (DPF) or associated control equipment used to vent such equipment.”* Staff does not anticipate any additional cumulative emissions with this revision.

Revisions to paragraph {219(p)(11)}

Staff proposes to revise the language in Rule 219 paragraph (p)(11) to clarify that the exemption for chemical vapor-type sterilization equipment does not include equipment used for incineration to avoid any mischaracterization of the chemical vapor sterilization process. The revised rule language is as follows: *“Chemical vapor type sterilization equipment where no Ethylene Oxide is used, and with a chamber volume of two (2) cubic feet or less used by healthcare facilities and control equipment exclusively venting the equipment. This exemption does not include equipment used for incineration.”* Staff does not anticipate any additional cumulative emissions with this revision.

Revisions to paragraph {219(q)(2)}

Staff proposes to revise the language in Rule 219 (q)(2) to reflect the November 4, 2016 amendment to Rule 1302 – Definitions, wherein the major source threshold for SO_x was revised to 70 tons per year from 100 tons per year as a result of the recent reclassification in PM_{2.5} attainment status to “serious” nonattainment from “moderate”. The SO_x major source threshold was changed because it is a pre-cursor for PM_{2.5}. In addition, under Senate Bill 700, air districts in California are restricted from requiring permits for agricultural sources with actual emissions less than “one half of any applicable emissions threshold for a major source. As such, the permit exemption threshold in Rule 219 is proposed to be changed for SO_x from 50 tons per year to 35 tons per year to reflect the change in the associated major source threshold.

Revisions to paragraph {219(s)(2)}

Staff proposes to revise the language in Rule 219 paragraph (s)(2) to explicitly state that the exception applies to non-compliance with Rule 402 – Nuisance, in addition to non-compliance with all other SCAQMD rules. In addition, staff is proposing to separate the language of this paragraph into two subparagraphs to make it easier to read and understand. The revised rule language describing equipment no longer exempt, is as follows:

“Equipment when the Executive Officer has determined that:

- (A) the risk will be greater than identified in subparagraph (d)(1)(A), or paragraphs (d)(2) or (d)(3) in Rule 1401 – New Source Review of Toxic Air Contaminants; or,*
- (B) the equipment may not operate in compliance with all applicable District Rules and Regulations, including but not limited to SCAQMD Rule 402 – Nuisance.”*

ADDITIONAL ADMINISTRATIVE CHANGES

Additionally, staff intends to make minor revisions to the current rule language, including editorial corrections and clarifications.

ADDITIONAL COMMENTS BY STAKEHOLDERS

Staff convened a working group of interested parties for PAR219/222 and has held two meetings to solicit input and inform the group of ongoing efforts to amend this rule. These meetings were held on August 2 and November 10, 2016. At the first working group meeting, staff requested written comments from the stakeholders, to be accompanied by the commenter’s assessment of the number of facilities that may take advantage of the exemption and number of equipment affected by the exemption. Comments on sixteen items were received by staff, nearly all without additional information on facilities and equipment counts required for analysis. A summary of these comments is presented in Table 2-4 below, along with a brief discussion and the current disposition of the requested change.

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
Cooling Towers	Consider particle size distribution of drift particles from cooling towers (AP-42 assumes all TDS emitted as PM ₁₀). Follow New Mexico Environmental Dept approach.	Emissions from cooling towers are dependent on particle size distribution. AP-42 assumes all dissolved solids (TDS) in the cooling tower circulation water are emitted as PM ₁₀ . This assumption overestimates PM ₁₀ as it does not account for droplet size. Commenter references a Technical Memorandum from the New Mexico Environmental Department that addresses particle size and establishes emission factors for drift droplet diameter for various concentrations of TDS in the cooling tower circulating water from 1000 ppm to 12,000 ppm.	Did not incorporate recommendation to allow speciation of PM ₁₀ . Instead, require industrial cooling towers to register under Rule 222, but not comfort cooling towers. Emission calculations, including any speciation of droplet size will be left to future rulemaking under the 2016 AQMP.
Cooling Towers	PAR 222 registration for cooling towers should follow format in R1415 where similar equipment is listed on 1 registration form with 1 registration fee for all cooling towers at a facility.	Rule 1415 requires a Registration Plan to be submitted every 2 years with facility and equipment-specific information (# of air conditioners, mfg name, model, serial number, and refrigerant)	Propose to Incorporate suggestion for a single registration. Registration fee to be based on the number of cooling towers.

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
Bench Scale	Remove "bench scale" from exemption. Provide an emission limit-based exemption instead. Precedent in SJVAPCD Rule 2020 Section 6.18	SJVAPCD Rule 2020 6.18 exempts <i>"Laboratory testing equipment and quality control testing equipment used exclusively for chemical and physical analysis, provided: 6.18.1 Emissions from such equipment do not exceed 2.0 pounds per day or 75 pounds per year, and 6.18.2 The equipment is not a HAP source."</i>	Did not incorporate proposal. A bench scale standard is readily enforceable in the field. However, using an emission limit based exemption may require extensive recordkeeping, especially for industries such as the commenter, where usage and waste records must be kept for a large number of sources.
Aqueous Ammonia	Add a new exemption to subdivision (m) with the following language: <i>"Equipment used for the storage and transfer of aqueous ammonia less than 20%, and associated control equipment"</i>	Commenter's ammonia tanks are vented to absorber tanks containing water. Absorber tank water is monitored for oversaturation and ammonia removal efficiency. Tanks also have a PRV to guard against over-pressurization. During filling operations, a vapor return line returns vapors to the vendor truck. OSHA PEL for ammonia is 50 ppm (8-hr); NIOSH REL is 25 ppm (10-hr).	Did not incorporate due to toxicity of aqueous ammonia. It is regulated as a toxic, even at 20% solution.

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
Chlorine Storage	Exclude chlorine from exemption under (m)(2)(D). Chlorine operations are already strictly regulated by other regulating entities, including the Occupational Safety and Health Administration (OSHA) and Cal/OSHA, United States Environmental Protection Agency (USEPA), California Office of Emergency Services (Cal OES), Local Certified Unified Program Agencies (CUPAs), and the Department of Transportation (DOT).	Basis for proposing this amendment was for CEQA purposes, to be notified of a project even if SCAQMD is not the lead agency. Staff had formerly proposed prior to the first working group meeting to clarify that the existing exemption under clause (m)(2)(D) does not apply to storage and dispensing of products that contain any substance listed in form 400-CEQA, Table 1. Chlorine storage of more than 100 lbs is one such product.	Removed the proposed language under (m)(2)(D). Staff is comfortable with the CEQA protections afforded through the current permit process and other agency jurisdictions.
PERP Engines	Allow use of PERP engines as back up when permanent back-up emergency generator is offline for maintenance or when a new emergency generator is being commissioned.	Historically, PERP engines have not been allowed for this purpose. In addition, PERP guidance document allows local Districts to be more strict.	Did not incorporate request. This is an implementation issue and should be addressed either through the PERP regulation or through a compliance/guidance document by CARB or by SCAQMD Compliance and Enforcement Division.

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
Floating Roof Tanks	Provide a new exemption for vapor socks on floating roof tanks, in lieu of guidepole floats on slotted guidepoles. Suggested language 219(c)(11) <i>"Replacement of a slotted guidepole float with a vapor sock on floating roof tanks."</i> Exemption change would allow radar gauging to be better able to measure liquid level in the tank. This will benefit up to 200 tanks at a number of the commenter's locations - other facilities may take advantage of such an exemption as well.	This change would allow replacement of guide floats with vapor socks without submitting an application for permit modification. Commenter cites tank seal replacement as precedent for this request. Tanks subject to Rule 1178 have more stringent requirements than tanks subject to Rule 463. Storage Tank Emission Reduction Partnership Program (STERRP) agreement seems to indicate equivalency between guidepole floats and vapor socks.	Did not incorporate proposal. Allowing such a change without submitting an application for permit modification would mean the permit would not accurately reflect the physical conditions of the tank and would not allow SCAQMD to conduct an appropriate BACT analysis.
PERP Engines	Expand (b)(8) to include engines operating in the Outer Continental Shelf. Exemption was previously submitted and denied for 2013 amendment. Language proposed to be added to (b)(8) ". . . Including the use of such engines at locations where PERP registrations are otherwise not valid (e.g., within the Outer Continental Shelf) as long as the engines are operated in compliance with all other conditions in the current PERP registrations." Commenter claims they are at a competitive disadvantage with respect to onshore operators.	Comments and responses from 2013 amendment summarized below: Comment #1 - Include requested language (same as language currently requested). Response #1 - PERP registrations specifically excluded from eligibility include <i>"any [portable] engine or equipment unit operating within the boundaries of the OCS"</i> [PERP §2451 (c)(5)] No PERP conditions exist for the requested use of the engine. Since portable engines are not eligible for operation within OCS, they are subject to AQMD permitting. Comment #2 - Is the exemption for PERP engines valid in the OCS? Response #2 - If a specific condition of a PERP registration precludes a particular use, that use is automatically subject to permitting.	Incorporated proposal, provided a Rule 222 registration is filed, which serves as notification to the EO that a PERP engine will be used, and the operator complies with the PERP program and with all CARB-issued registration requirements. Under the PERP program and under the staff proposal, engines are not allowed to be used for more than 12 months at a location.

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
UV/EB/LED Materials	Include the following language in subdivisions (h) and (l): <i>"UV/EB/LED materials containing fifty (50) grams of VOC per liter of material, and using exclusively cleanup solvents containing fifty (50) grams of VOC per liter or less."</i>	Previous discussion focused on 25 g/l for both UV/EB/LED materials and cleanup solvents. Commenter is requesting reinstatement of an exemption from 2006.	Did not incorporate proposal, but staff proposal is to amend subdivisions (h) and (l) to allow a similar exemption for UV/EB/LED materials at 50 g/l and cleanup solvents at 25 g/l, provided VOC emissions are less than 1 ton/year. Staff proposal allows registration or submittal of records that are already maintained on site, in lieu of registration.
Chlorine Storage	Commenter has concerns with excluding chlorine gas from exemption (due to being listed on 400 CEQA, Table 1. Chlorine is already highly regulated under the California Accidental Release Prevention (CalARP) program	Similar issue as raised by another commenter. See discussion above.	See discussion above.
Decarbonators for Advanced Water Treatment	Include a new exemption in subdivision (p) for decarbonators that reduce carbonate in water supplied to a reverse osmosis system. Proposed language: <i>"Equipment adjusting treated effluent pH using a forced air draft decarbonator installed as part of an advanced wastewater treatment facility using reverse osmosis or similar processes at an existing permitted municipal wastewater treatment plant immediately prior to beneficial reuse."</i>	Commenter is adding this system to their Valencia plant for tertiary wastewater treatment and was asked to submit an application for permit modification. Another facility has a similar system, and source test determined very low VOC emissions (<< 1 lb/day, but above 0) and no toxics.	Did not incorporate proposal. R1301(b)(1) applies to new and existing sources that cause ". . . issuance of any . . . air contaminant . . ."

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
Control Enclosures	Amend exemption to allow greater than 27 cubic feet, provided a Rule 222 filing is submitted. Proposed language: <i>"Control enclosures with an internal volume of 27 cubic feet or less, provided that aerosol cans, air brushes, or hand applications are used exclusively. Under this exemption control enclosures with an internal volume greater than 27 cubic feet are also exempted provided that aerosol cans, air brushes, or hand applications are used exclusively and a filing pursuant to Rule 222 is submitted to the Executive Officer."</i>	Commenter paints large articles (character heads, carousel horses) that cannot fit into a 27 cubic feet desk-top booth but the artists only paint them via air brushes or hand application (currently allowed under the exemption).	Did not incorporate suggestion. The original intent of this exemption (added in July 2003) was simply to provide a way to hobbyists to spray paint, not commercial operations.
Cooling Towers	Revisit PM calculation methodology for HVAC cooling towers	Establish a flow rate equivalent to 1 lb/day of PM emissions and require facilities with emissions above that threshold to file for registration. Intent of registration will be to establish an inventory of cooling towers with associated flow rates that potentially have PM emissions above that threshold for a subsequent rule development. Rule development will examine whether to require high efficiency drift eliminators on older cooling towers, in order to incorporate proposed 2016 AQMP control measure BCM-02.	Did not incorporate recommendation to establish a flow rate equivalent for 1 lb/day for PM emissions. Instead, only requiring industrial cooling towers to register under Rule 222, but not comfort cooling towers. Emission calculations, including any speciation of droplet size will be left to future rulemaking.

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
PERP Engines	Modify (b)(8) - PERP engines so it points to (r)(1) - all PERP equipment. Add language to (r)(1) to ensure that RECLAIM facilities include PERP equipment when determining the appropriate requirements for monitoring, reporting and recordkeeping (MRR) protocols under Rules 2011 and 2012.	Administrative modification.	Incorporated proposal.
Oil and Gas Wells	Allow all oil and gas wells to be registered in PAR 222 under one filing.	Commenter proposed this at the first working group meeting.	Propose to incorporate suggestion. Require API number of each active and inactive well in the oil field to be submitted in registration. Require annual re-registration. Base registration fee only on active wells.
Food Ovens	Remove daily VOC limit of 1 lb/day - replace with annual limit, or rolling limit (rolling 12 months or 30-day average).	Small ovens are often operated intermittently and strictly enforcing an absolute 1 lb/day limit could force small ovens into expensive retrofits or controls.	Did not incorporate proposal. Regulation XIII currently does not provide the leeway for an averaging scenario.

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
Gaseous and Liquid Fuel Fired Combustion Equipment	Expand the list of equipment proposed for inclusion in the Rule 222 filing program to include gaseous and liquid fuel fired combustion equipment, as defined in Rule 1147, with individual fuel usage profiles of one pound or less of NOx emissions per day. Examples of these are spray booth heaters, dryers, and ovens, and heaters and dryers on printing presses.	Heaters, dryers and ovens are integral to many spray booths – they are not separate from the spray booth. Permitting of the entire spray booth, including combustion equipment is necessary in order for permitting staff to make a determination regarding the complete emissions profile from spray booths, for VOC, PM and potentially toxics emissions from the coatings sprayed, as well as NOx from any combustion equipment. In addition, staff evaluates spray booths for potential nuisance impacts under Rule 402. The Technology Assessment conducted by staff under Rule 1147, and verified by an independent third party, did not establish a definitive level at which all heaters, dryers and ovens used on either printing presses or spray booths will be less than 1 lb/day of NOx; rather, it depends on the heat input, operating schedule and age of the heater, dryer or oven. Also, the current proposal for Rule 1147 does not require small, low emitting units to retrofit with a compliant unit; it only requires these units to meet the appropriate Rule 1147 emission limit when they are subject to a combustion modification that changes the heat rating or are replaced or rebuilt.	Did not incorporate proposal.
Asphalt Distributor Truck	Include the diesel burner used to heat the asphalt emulsion applied by an asphalt tanker truck in the Rule 222 registration program.	Truck does not meet exemption criteria for an asphalt day tanker under (m)(23) because it has a diesel burner and the truck is used to apply asphalt. Permit condition requires compliance with Rule 1147 limit by July 2018. However, since this unit emits less than 1 lb/day of NOx, Rule 1147(c)(6)(B) allows deferment of compliance for an additional 5 years, to July 2023. Under a separate staff proposal for PAR1147, this burner would have until 2038 to comply with the NOx concentration limit.	Did not incorporate proposal.

CHAPTER 3: SUMMARY OF PROPOSED AMENDED RULE 222

Overview: Proposed Amendment To Rule 222

Industrial Cooling Towers

Natural Gas and Crude Oil Production Equipment

Well Heads and Well Pumps

Natural Gas Pipeline Transfer Pumps

Natural Gas Repressurizing Equipment

Storage Tanks for Aqueous Urea Solutions

ICEs used at remote Two-Way Radio Transmission Towers

Food Ovens

Fuel Cells

OVERVIEW: PROPOSED AMENDMENT TO RULE 222

The purpose of this amendment is to require specific emission sources that currently have written District permits to instead file their information for such equipment under the Rule 222 filing program. The Rule 222 filing program is designed for small emitting exempt emission sources under Rule 219 that can operate in compliance through standard conditions as determined by the Executive Officer. Based on evaluation of their emission characteristics, staff proposes to add the following equipment categories to the SCAQMD Rule 222 filing program:

- Water cooling towers not used for evaporative cooling of process water or not used for evaporative cooling of water from barometric jets or from barometric condensers and in which no chromium compounds are contained, including industrial cooling towers located in a chemical plant, refinery or other industrial facility;
- Natural gas and crude oil production equipment, including: natural gas pipeline transfer pumps; and natural gas, repressurizing equipment. Well heads and well pumps are currently required to be registered. Natural gas pipeline transfer pumps and natural gas repressurizing equipment is not currently required to be registered, but are required to be registered under the staff proposal;
- Storage tanks for aqueous urea solutions; and
- Engines registered under the statewide Portable Equipment Registration Program (PERP) used in the Outer Continental Shelf (OCS).

In addition to these four equipment categories, staff is also proposing to make changes to an additional six equipment categories. These categories include:

- Printing and related coating and/or laminating equipment and associated dryers and curing equipment exempt from a written permit pursuant to Rule 219 (h)(1)(~~DE~~), unless an annual low-VOC verification annual records are is submitted to the Executive Officer in accordance with Rule 219 ~~(u)(8)(h)(1)(E)(ii)~~. This equipment is currently required to be registered under the VOC emission limitations of paragraph (h)(1)(~~DE~~). However, under the staff proposal, facility operators will have the option of submitting records an annual low-VOC verification to the Executive Officer ~~to demonstrate compliance with the emission limitations~~ in lieu of registration.
- Coating or adhesive application, or laminating equipment exempt from a written permit pursuant to Rule 219 (l)(6)(~~EF~~), unless an annual low-VOC verification annual records are is submitted to the Executive Officer in accordance with Rule 219 ~~(u)(8)(l)(6)(F)(ii)~~. This equipment is currently required to be registered under the VOC emission limitations of paragraph (l)(6)(~~EF~~). However, under the staff proposal, facility operators will have the option of submitting an annual low-VOC verification records to the Executive Officer ~~to demonstrate compliance with the emission limitations~~ in lieu of registration.
- Drying equipment such as flash-off ovens, drying ovens, or curing ovens associated with coating or adhesive application, or laminating equipment exempt from a written permit pursuant to Rule 219 (l)(11)(~~EF~~), unless an annual low-VOC verification annual records are

is submitted to the Executive Officer in accordance with Rule 219 ~~(u)(8)(1)(11)(F)(ii)~~. This equipment is currently required to be registered under the VOC emission limitations of paragraph (1)(11)(~~EF~~). However, under the staff proposal, facility operators will have the option of submitting a low-VOC annual verification records to the Executive Officer ~~to demonstrate compliance with the emission limitations~~ in lieu of registration.

- Food Ovens, with a rated maximum heat input capacity of 2,000,000 Btu per hour or less, are fired exclusively on natural gas and where the process VOC emissions are less than one pound per day;
- Fuel cells, which produce electricity in an electro-chemical reaction and use phosphoric acid, molten carbonate, proton exchange membrane, or solid oxide technologies; and associated heating equipment, where the heating equipment is fueled exclusively with natural gas, methanol, liquefied petroleum gas, or any combination thereof, including heaters that have a rated maximum heat input capacity of greater than 2,000,000 Btu per hour, provided that the supplemental heat used is 90,000 therms per year or less; and
- Internal combustion engines used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, has a manufacturer's rating of 100 brake horsepower or less, and are fired exclusively on diesel #2 fuel, compressed natural gas (CNG) or liquefied petroleum gas (LPG).

Additionally, staff intends to enhance enforceability of the operating conditions included in the Rule 222 filings and include minor clarifications and editorial corrections to the rule.

Compliance with the filing requirements of PAR 222 is necessary within 12 months after the effective date in Table 1 of Rule 222 for a new or amended source category incorporated into Rule 222.

The following includes the proposed definitions and descriptions for the additional sources and changes proposed to be added to Rule 222:

NEW EQUIPMENT TO BE ADDED TO RULE 222 FILING PROGRAM

Water Cooling Towers

As described in Chapter 2, Proposed 2016 AQMP Control Measure BCM-02 will seek reductions in PM_{2.5} emissions from industrial cooling towers in future years. The proposed control measure will seek to reduce PM emissions from cooling towers by requiring the use of more efficient drift eliminators that keep drift losses to less than 0.001% of the circulating water flow rate.

Staff proposes to add industrial cooling towers to the Rule 222 filing program by adding new rule language to Table 1 of Rule 222. The purpose of adding this source category to the Rule 222 filing program is to develop an inventory of industrial cooling towers and facilities at which these towers

are located, for the benefit of future rule development to be conducted to implement AQMP Control Measure BCM-02.

Since this source category (industrial cooling towers) is currently exempt from permit under Rule 219(d)(3), there are no new or forgone emissions associated with inclusion in the Rule 222 filing program.

Emissions from cooling towers are reported under the District's Annual Emission Reporting (AER) program. However, only facilities with emissions from a criteria pollutant in excess of 4 tons per year are required to report those emissions. The most recent year for which cooling tower emissions data are obtainable under the AER program is 2013. For this year, emissions from 251 cooling towers are reported. Sixty-two (62) of these are from cooling towers used for comfort cooling, and 189 are from industrial cooling towers. The average reported emissions of total suspended particulate (TSP) from industrial cooling towers reported under AER is 6,420 lbs/yr or 3.21 tons/yr (TPY). Since the average emissions from these sources is less than the 4 TPY reporting threshold in the AER program, there may be additional industrial cooling towers located at facilities that do not have TSP emissions in addition to those from an industrial cooling tower.

Staff proposes to add the following definition to Rule 222, paragraph (c)(17):

INDUSTRIAL COOLING TOWER means a cooling tower located at a chemical plant, refinery or other industrial facility that is not used for comfort cooling.

Staff further proposes to add the following registration source category to Rule 222, Table 1:

Industrial water cooling towers not used for evaporative cooling of process water or not used for evaporative cooling of water from barometric jets or from barometric condensers and in which no chromium compounds are contained, located in a chemical plant, refinery or other industrial facility.	5/5/2017
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Natural Gas and Crude Oil Production Equipment

The oil and natural gas industry includes a wide range of operations and equipment, from wells to natural gas gathering lines and processing facilities, to storage tanks and transmission and distribution lines.

As described in Chapter 2, CARB is proposing a Regulation Order for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities (draft regulation)¹. This draft regulation is currently scheduled to be heard before the CARB Board in the spring of 2017. The draft regulation

¹ California Code of Regulations, Title 17, Division 3, Chapter 1, Subchapter 10 Climate Change, Article 4, Subarticle 13: Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities

will regulate greenhouse gases, including methane from specific equipment at crude oil and natural gas facilities. Historically SCAQMD has not regulated methane, which is an exempt compound and is not considered a VOC. CARB requires that all equipment addressed under the draft regulation be either permitted or registered by a local air district. Staff believes that nearly all of this equipment is currently permitted or registered under Rule 222. However, there may be limited numbers of equipment that are not either under permit or registration. These include equipment exclusively handling natural gas. Most oil field equipment listed in subdivision (n) is permitted to allow it to transfer of both oil and natural gas, and as such is required to be permitted.

The draft regulation for oil and gas production facilities allows both a permitting option and a registration option for equipment and processes. Under the registration option, the following information must be reported:

§95216(b) [Proposed]

(2) Reporting and Registration Requirements for Facilities Not Subject to an Air District Permitting Program

(A) Owners or operators of facilities with equipment covered by this article which are not included in a local air district permitting program shall register the facility by reporting the following information by [Month, Day, Year]. The information shall be reported to ARB unless the relevant local air district has established a registration program that collects at least the following information.

- 1. The owner or operator's name and contact information for the equipment covered by this article.*
- 2. A description of the crude oil or natural gas facility where the equipment is located.*
- 3. A description of all equipment covered by this article located at the facility which shall include the following:*
 - a. The number of crude oil or natural gas wells at the facility.*
 - b. A list of all tanks and separators at the facility, including the size of each tank and separator in units of barrels.*
 - c. The annual crude oil, natural gas, and produced water throughput of the facility.*
 - d. A list of all reciprocating and centrifugal natural gas compressors at the facility, including the manufacturer's horsepower rating for each compressor.*
 - e. A count of all pneumatic devices and pumps at the facility.*

(B) Updates to these reports, recording any changes in this information, must be filed with ARB, or, as relevant, with the air district no later than [Month, Day, Year] each year if the owner or operator has installed or removed any equipment covered by this article at its facility.

Rule 219, subdivision (n) currently exempts six categories of equipment. Of these six categories, one is currently required to submit registrations under the Rule 222 filing program: well heads and well pumps. Well heads and well pumps subject to the requirements of Rule 1148.1 are allowed to be registered in groups of 4. During rule development, staff received a request from a stakeholder to allow all well heads or well pumps located at a facility to be registered on one form. The reasoning

for this request is that no identifying information is required to be submitted for the wells under registration. For example, no well location is given in the registration, in the form of a location (latitude and longitude), Universal Transverse Mercator (UTM) coordinates or the American Petroleum Institute (API) number assigned to each well head. It is not currently possible for an SCAQMD inspector to identify the four wells under a single registration in the field. Well heads and well pumps can be put into production and/or taken out of production within a single year. Since it is not possible to identify wells under any one registration, a common practice is for a facility to submit and pay fees for one more registration than the number of producing wells they estimate will be operating during the year.

Therefore, staff plans to modify form 222-OW to include a list of all wells at a facility, require the API number to identify each well head, and to review the fee structure under Rule 301(u) during the next rule amendment to Rule 301 to charge an equivalent fee for each well head to the amount currently charged. For example, an initial filing fee of \$198.13 is currently charged for a Rule 222 registration of up to four well heads [*Rule 301(u)(1)*]. In addition, an annual renewal fee of \$198.13 is currently charged for a Rule 222 registration of up to four well heads [*Rule 301(u)(3)*]. The equivalent per-well head fee is \$49.53 for both the initial filing fee and annual renewal fee. Under the staff proposal, the same per-well head fee could be charged for an initial filing fee and annual renewal fee as under the current fee structure. The difference is that all well heads and well pumps could be recorded on one Rule 222-OW registration form. Staff would provide specific language regarding the amendments to Rule 301(u)1 and (u)(3) as well as the definition for “Emission Source” [*Rule 301(b)(13)*] during rule development.

According to data from the Division of Oil, Gas and Geothermal Resources (DOGGR), there are 7,270 land-based wells and 2,267 offshore wells of all types in the South Coast Air Basin and offshore in State Territorial Waters. The wells subject to the draft regulation include oil and gas wells, dry gas wells and gas storage wells. These wells may have other functions as well - for example, some oil and gas wells are also cyclic steam wells, or water flood wells. Staff believes most of these wells are currently under registration. The possible exception includes dry gas wells and gas storage wells. From the DOGGR data, there are 138 potential natural gas-only wells and another 2 that are offshore.

Staff proposes to bring two other groups of equipment into the Rule 222 filing program, as opposed to requiring a written permit. These groups of equipment are currently exempted under Rule 219 paragraph (n)(2) – natural gas pipeline transfer pumps, and paragraph (n)(3) – natural gas repressurizing equipment. Since this equipment is currently exempt from obtaining a written permit pursuant to Rule 219 and is not required to register under Rule 222, data is not currently available to estimate the number of registrations that may result from these additions to the Rule 222 filing program.

Since this source category (natural gas and crude oil equipment) is currently exempt from permit under Rule 219(d)(3), there are no new or forgone emissions associated with inclusion in the Rule 222 filing program.

Staff proposes to add the following registration source category to Rule 222, Table 1:

Natural gas and crude oil production equipment, including: well heads and well pumps; natural gas pipeline transfer pumps; and natural gas, repressurizing equipment	5/5/2017
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Storage of Aqueous Urea Solutions

As discussed in Chapter 2, ammonia emission estimates from storage tanks containing urea solutions are very low. Staff proposes to add the following definition to Rule 222, paragraph (c)(28):

STORAGE OF AQUEOUS UREA SOLUTIONS is equipment used exclusively to store aqueous solutions of urea [$CO(NH_2)_2$] with a holding capacity of 6500 gallons or less.

Staff further proposes to add the following registration source category to Rule 222, Table 1:

Storage of aqueous urea solutions	5/5/2017
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Due to very low emissions of ammonia from tanks that store urea (~0.01 lbs/day) staff anticipates potential total emissions affected will be <1 lb/day of PM emissions.

PERP Engines Operating in the Outer Continental Shelf (OCS)

As discussed in Chapter 2, staff proposes to expand the existing exemption under Rule 219 subdivision (r) to allow internal combustion engines that are registered under the statewide Portable Equipment Registration Program (PERP) to be used in the Outer Continental Shelf (OCS), provided the conditions of the current PERP registration are followed, and provided a Rule 222 registration is filed. The registration will serve as notification to the SCAQMD that a PERP engine will be used, the purpose for the engine, and the length of time proposed for use.

Staff proposes to add the following registration source category to Rule 222, Table 1:

Engines registered under the statewide Portable Equipment Registration Program (PERP) used in the Outer Continental Shelf (OCS).	5/5/2017
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CLARIFICATION TO AN EXISTING SOURCE CATEGORY

Printing and Related Coating and/or Laminating Equipment

Equipment and materials described under Rule 219 (h)(1)(E), including inks, coatings and adhesives, fountain solutions, and associated VOC containing solvents (excluding cleanup solvents) containing fifty (50) grams or less of VOC per liter of material and all cleanup solvents containing twenty five (25) grams or less of VOC per liter of material, and where the total quantity of VOC emissions do not exceed one ton per calendar year are currently exempt from obtaining a written permit, provided a filing pursuant to Rule 222 is submitted to the Executive Officer.

Staff proposes to include UV/EB materials under this exemption ~~in place~~ in addition to of the current exemption for UV/EB materials in subparagraph (h)(1)(C). In addition, staff proposes to allow the option of either continuing registration for these materials as currently allowed, or submitting an annual low-VOC verification records kept pursuant to Rule 109 to demonstrate that low-VOC materials, including cleanup solvents are exclusively used, and emissions of VOC do not exceed one ton per calendar year. ~~The new reference for this exemption is Rule 219 (h)(1)(D), since subparagraph (h)(1)(C) is eliminated under the staff proposal and all subsequent subparagraphs are renumbered.~~

Staff proposes to modify the current description of this category in Rule 222, Table 1 as follows:

<p>Printing and related coating and/or laminating equipment and associated dryers and curing equipment exempt from a written permit pursuant to Rule 219 (h)(1)(E), <u>unless an annual low-VOC verification is records are submitted to the Executive Officer in accordance with Rule 219 (u)(8) (h)(1)(E)(ii).</u></p>	<p>5/5/2017 12/5/2008</p>
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Coating or Adhesive Application, or Laminating Equipment

Equipment and materials described under Rule 219 (l)(6)(F), including coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) containing fifty (50) grams or less of VOC per liter of material and all cleanup solvents containing twenty five (25) grams or less of VOC per liter of material, and where the total quantity of VOC emissions do not exceed one ton per calendar year are currently exempt from obtaining a written permit, provided a filing pursuant to Rule 222 is submitted to the Executive Officer.

Staff proposes to include UV/EB materials under this exemption ~~in place of~~ in addition to the current exemption for UV/EB materials in subparagraph (l)(6)(B). In addition, staff proposes to allow the option of either continuing registration for these materials as currently allowed, or submitting an annual low-VOC verification records kept pursuant to Rule 109 to demonstrate that low-VOC materials, including cleanup solvents are exclusively used, and emissions of VOC do not exceed one ton per calendar year. ~~The new reference for this exemption is Rule 219 (l)(6)(E), since~~

subparagraph (l)(6)(B) is eliminated under the staff proposal and all subsequent subparagraphs are renumbered.

Staff proposes to modify the current description of this category in Rule 222, Table 1 as follows:

Coating or adhesive application, or laminating equipment exempt from a written permit pursuant to Rule 219 (l)(6)(FEF), unless an annual low-VOC verification is records are submitted to the Executive Officer in accordance with Rule 219 ((u)(8)) (l)(6)(F)(ii).	5/5/201712/5/2008
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Drying Equipment such as Flash-off Ovens, Drying Ovens, or Curing Ovens associated with Coating or Adhesive Application, or Laminating Equipment

Equipment and materials described under Rule 219 (l)(11)(F), including coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) containing fifty (50) grams or less of VOC per liter of material and all cleanup solvents containing twenty five (25) grams or less of VOC per liter of material, and where the total quantity of VOC emissions do not exceed one ton per calendar year are currently exempt from obtaining a written permit, provided a filing pursuant to Rule 222 is submitted to the Executive Officer.

Staff proposes to include UV/EB materials under this exemption ~~in place of~~ in addition to the current exemption for UV/EB materials in subparagraph (l)(11)(B). In addition, staff proposes to allow the option of either continuing registration for these materials as currently allowed, or submitting an annual low-VOC verification. records kept pursuant to Rule 109 to demonstrate that low-VOC materials, including cleanup solvents are exclusively used, and emissions of VOC do not exceed one ton per calendar year. The new reference for this exemption is Rule 219 (l)(11)(E), since subparagraph (l)(11)(B) is eliminated under the staff proposal and all subsequent subparagraphs are renumbered.

Staff proposes to modify the current description of this category in Rule 222, Table 1 as follows:

Drying equipment such as flash-off ovens, drying ovens, or curing ovens associated with coating or adhesive application, or laminating equipment exempt from a written permit pursuant to Rule 219 (l)(11)(FEF), unless an annual low-VOC verification is records are submitted to the Executive Officer in accordance with Rule 219 ((u)(8)) (l)(11)(F)(ii).	5/5/201712/5/2008
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Food Ovens

Staff proposes to clarify the definition of a food oven and the description in Table 1 to specify that the VOC emission limit of 1 lb per day can be from any source, not only from yeast fermentation. Prior to this source category being added to the Rule 222 filing program in May 2013, if a food oven

with a rated maximum heat input capacity of 2,000,000 Btu/hour or less was used to process food products that involved yeast, that food oven would have required a written permit to operate based on the formation of ethanol emissions. When this source category was added in May 2013, data indicated 55 permitted food ovens with a rated maximum heat input capacity of 2,000,000 Btu/hour or less that were permitted. Staff now proposes to clarify that VOC emissions can be from any source, not only from yeast fermentation.

Staff proposes to modify the existing definition of food oven in paragraph (c)(12) as follows:

FOOD OVEN – is any equipment used exclusively for food preparation, has a rated maximum heat input capacity of no more than 2,000,000 Btu per hour or less, and is exclusively fired on natural gas and where the process VOC emissions are less than one pound per day, exempt from a written permit pursuant to Rule 219(b)(2).

In the new definition, process VOC emissions refers to VOC emissions from all sources, including VOC emissions from the baking process in addition to VOC emissions from yeast fermentation and other VOC emitted during the operation of the oven.

Staff further proposes to modify the current description of food ovens from Rule 222, Table 1:

Food Ovens with a rated maximum heat input capacity of 2,000,000 Btu per hour or less, are fired exclusively on natural gas and where the <u>process VOC emissions from yeast fermentation</u> are less than one pound per day, <u>exempt from a written permit pursuant to Rule 219(b)(2).</u>	5/5/2017
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Since this modification is merely to clarify that the 1 lb/day limit for VOC emissions can be from any source and the existing exemption in Rule 219(b)(2) currently exempts “Boilers, process heaters, or any combustion equipment that has a rated maximum heat input capacity of 2,000,000 Btu per hour (gross) or less and are equipped to be heated exclusively with natural gas, methanol, liquefied petroleum gas, or any combination thereof”, staff does not anticipate any additional registrations as a result of this clarification.

Fuel Cells

Staff proposes to clarify that only fuel cells that are heated by supplemental heaters during startup using combustion equipment are required to register under the Rule 222 filing program. In addition, staff proposes to clarify the allowable fuels for supplemental heat in combustion devices includes natural gas, methanol, liquid petroleum gas (LPG), or any combination thereof.

Fuel cells are used by some water districts to produce power from digester gas. Fuel cells require an external heating source during startup. First generation fuel cells in the early 2000s used electrical heaters for this purpose. However, later generation fuel cells were larger and required more heat

input and were therefore heated with a natural gas burner. Prior to the May 2013 amendment to Rules 219 and 222, during staff discussion with industry representatives, it was proposed that fuel cells with electrical heaters would continue to be exempt, and only fuel cells heated with a combustion source would be registered under the Rule 222 filing program, provided the supplemental heater used 90,000 therms per year or less. However, this was not explicitly stated in the exemption language and confusion during implementation resulted in registration of fuel cells with electric heaters.

Staff proposes to modify the current description of fuel cells from Rule 222, Table 1:

<p>Fuel cells, which produce electricity in an electro-chemical reaction and use phosphoric acid, molten carbonate, proton exchange membrane, or solid oxide technologies; and associated heating equipment, <u>provided the heating equipment is fueled exclusively with natural gas, methanol, liquefied petroleum gas, or any combination thereof,</u> including heaters that have a rated maximum heat input capacity of greater than 2,000,000 Btu per hour, provided that the supplemental heat used is 90,000 therms per year or less.</p>	<p>5/3/2013 5/5/2017</p>
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Since these changes are intended to: 1. restore the original intent that only fuel cells with supplemental heat based on combustion are required to register under the exemption in Rule 219(b)(5); and 2. specify allowable fuels in supplemental combustion heaters, there are no changes in emissions from this source category.

ICEs Used at Remote Two-Way Radio Transmission Towers

Staff proposes to clarify that the allowable fuels for internal combustion engines used at remote two-way radio towers includes diesel #2 fuel, compressed natural gas (CNG) and liquefied petroleum gas (LPG).

Staff proposes to modify the current description of ICEs at remote two-way transmission towers from Rule 222, Table 1:

<p>Internal combustion engines used exclusively for electrical generation at remote two-way radio transmission towers where no utility, electricity or natural gas is available within a ½ mile radius, has a manufacturer's rating of 100 brake horsepower or less, and are fired exclusively on diesel #2 fuel, <u>compressed natural gas (CNG) or liquefied petroleum gas (LPG).</u></p>	<p>5/5/2017</p>
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There are 16 engines at remote two-way radio transmission towers currently in the Rule 222 filing program. In addition, there is one engine with an open application for a remote site emergency ICE that uses LPG. The engine is used as back-up power to the primary power for a county emergency

communications system. The primary power is solar panels combined with three banks of batteries. During periods of bad weather, the solar panel array and battery bank cannot keep up with the power demand. In these conditions, the ICE is started. This engine is operated approximately 1000 hours per year. Since this unit will no longer be subject to Rule 1110.2 requirements, staff has calculated a best estimate for daily NOx emissions forgone to be 3.5 pounds per day. The engine is a small emission source and have low cancer risk of less than one in a million based on its remote location.

REVISIONS TO EXISTING RULE LANGUAGE

Staff is proposing a revision to the current rule language in Rule 222 for purposes of clarifying the intent of the existing rule language.

Revisions to subparagraph {222 (d)(1)(D)}

Staff proposes to update the date in the Requirements subdivision to reflect the anticipated date of amendment for PAR 222. In addition, staff proposes to amend subparagraph (d)(1)(D) to indicate that a facility complying with the provisions of Rule 219 paragraphs (h)(1)(D), (l)(6)(E) or (l)(11)(E) for low-VOC printing and coating materials is required to comply with the recordkeeping requirements under this subparagraph unless the operator opts out of the registration requirement and instead submits an annual low-VOC verification to the Executive Officer in accordance with PAR 219 (h)(1)(E)(ii), (l)(6)(F)(ii) or (l)(11)(F)(ii)~~annual records as allowed under Rule 219(u)(8).~~ The proposed amended language follows:

- (D) *On May 3, 2013 and each subsequent January 1 thereafter, records shall be kept and made available to the District upon request to provide operation data and any updated information on the emission sources or equipment, applicable to this rule, including, but not limited to:*
- (i) *hours of operation;*
 - (ii) *materials used or processed;*
 - (iii) *fuel usage;*
 - (iv) *throughput; and*
 - (v) *operating parameters.*

Owners or operators of facilities filing for registration under Rule 219 paragraphs (h)(1)(D), (l)(6)(E) or (l)(11)(E) shall comply with the recordkeeping provisions of this subparagraph unless an annual low-VOC verification is submitted to the Executive Officer in accordance with PAR 219 (h)(1)(E)(ii), (l)(6)(F)(ii) or (l)(11)(F)(ii)~~a notification has been submitted to opt out of the registration requirement, and shall submit annual records to the Executive Officer in accordance with Rule 219 (u)(8).~~

CHAPTER 4: IMPACT ASSESSMENT OF PROPOSED AMENDED RULES 219 AND 222

- Introduction
- Impact Assessments
 - CEQA Impacts
 - Socioeconomic Impacts
- Draft Findings under California Health and Safety Code 40727
- Comparative Analysis
- Draft Conclusions and Recommendation

INTRODUCTION

District Rule 219 is an administrative rule that identifies equipment, processes, or operations that emit small amounts of air contaminants to be exempted from written permits, unless such equipment, process or operation is subject to subdivision (s) – Exceptions or is determined to require a written permit by the Executive Officer. The equipment categories proposed for exemption from written permits all have very small criteria and toxic emissions profile. The proposal to amend Rule 222 will allow certain specific types of equipment to transition from their current written permits to the more streamlined Rule 222 filing program. These specific types of equipment have been determined to be small emitting sources and can be streamlined from written permit to the Rule 222 filing program.

IMPACTS ASSESSMENT

CEQA Impacts

SCAQMD staff has reviewed the proposed project pursuant to CEQA Guidelines § 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, per CEQA Guidelines § 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. SCAQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Thus, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines § 15061(b)(3) – Activities Covered by General Rule. A Notice of Exemption (NOE) will be prepared pursuant to CEQA Guidelines § 15062 - Notice of Exemption, and if the project is approved, the NOE will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

Comments and suggestions regarding the CEQA analysis may be directed to:

Sam Wang
Planning, Rule Development and Area Sources, CEQA Section
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Socioeconomic Analysis of PAR 219 and PAR 222

Impacts of Proposed Amendments to Rule 219 (PAR 219)

Rule 219 is an administrative rule that identifies equipment, processes, or operations that emit small amounts of air contaminants to be exempted from written permits. Under the existing rule, affected equipment requiring a written permit is subject to a one-time permit processing fee when applying for a permit, and an annual operating fee thereafter. The proposed amendments would remove certain existing exemptions for certain specified categories of equipment and would add new equipment categories for

exemption from the requirement to obtain a written permit. As a result, PAR 219 would increase costs for some facilities and decrease costs for other facilities.

Additional Costs

PAR 219 would increase costs for the facilities with equipment that are currently exempt but will need to obtain permits if the proposed amendments are adopted. Affected equipment in this category includes non-emergency internal combustion engines, separation or segregation of plastics (that involve cutting, shredding or grinding), recycling of expanded polystyrene, pavement stripers (where supplemental heat is used), mobile platforms with groups of VOC-containing tanks, equipment used for cleaning of diesel particulate filters, equipment or processes that involves chromium and other toxic metals (including cutting of stainless and alloys, heated surface preparation tanks, and tanks that are heated, rectified or sparged).

Due to the lack of data regarding the number of currently exempt equipment that are not in the SCAQMD permit database, staff has estimated a range of possible affected equipment. For example, for 2 categories of tanks (i.e. heated surface preparation tanks or those ~~and that~~ contain lead, and tanks containing chromium or other toxic metals) described in Table 1 that will lose an exemption under the staff proposal, a large percentage are currently already listed on an existing permit. There ~~are~~ may be a small number of unpermitted stand-alone tanks or tanks in an unpermitted line. Staff conservatively estimates that no more than 10% of the more than 750 SCAQMD-issued permits for tanks and related equipment contain an unpermitted, Rule 219-exempt tank that would lose an exemption under paragraph (p)(4) or (p)(5) or otherwise need to be described on a permit in paragraph (p)(23). For each category of these tanks, staff estimates no more than 25-50 tanks will be required to file for permit or be listed on an existing permit under the staff proposal. For the purpose of the cost impacts analysis, staff has considered a similar conservative scenario and used the high-end of the estimated affected equipment in each category as shown in Table 1. Under this conservative scenario, there would be up to 174 units affected by the proposed amendments within a wide variety of industries.

Table 1 shows the distribution of estimated additional costs among the affected equipment categories. Under PAR 219, units in these categories would have to pay a one-time permit processing fee of \$1,557.83 and an annual operating permit renewal fee of \$354.86 under Rule 301 Schedule A¹.

Out of the estimated 174 pieces of equipment that will be potentially affected by the proposed amendments, equipment used for cutting stainless steel and alloys, heated surface prep tanks, and tanks containing chromium and other toxic metals are among the largest categories with each projected to have up to 50 units affected. As presented in Table 1, these categories would incur the largest costs under the

¹ According to Rule 301 (c)(1)(I), when applications are submitted within one year after amendment of Rule 219 for equipment that loses a previous exemption, the permit processing fee is assessed under Schedule A. For this analysis, it is assumed that all necessary permit applications will be submitted within one year after the rule amendment.

proposed amendments. The total one-time and annual costs of PAR 219 are estimated at \$271,063 and \$61,747, respectively.

Table 4-1
Estimated PAR 219 Cost Impacts by Equipment Category

Equipment Category	No. Affected Units	One-time	Annual
Non-emergency internal combustion engines	≤5	\$7,789	\$1,774
Separation or segregation of plastics	≤5	\$7,789	\$1,774
Recycling of expanded polystyrene,	≤5	\$7,789	\$1,774
Pavement stripers	≤5	\$7,789	\$1,774
Mobile platforms with groups of VOC-containing tanks	≤2	\$3,116	\$710
Equipment used for cleaning of diesel particulate filters	≤2	\$3,116	\$710
Equipment used to cut stainless steel or alloys >0.1 Pb, Cr, Ni, or Cd.	25-50	\$77,892	\$17,743
Heated surface prep tanks or those containing lead.	25-50	\$77,892	\$17,743
Tanks containing chromium, and other toxic metals	25-50	\$77,892	\$17,743
Grand Total*	≤174	\$271,063	\$61,747

*The cost was estimated based on the high-end estimates of the number of affected sources.

Table 2 shows the distribution of estimated cost increase by major industry. Of the total one-time and annual additional costs, the largest (86%) would occur in the of fabricated metals sector, to which most of the plating operations belong.

Table 4-2
Estimated PAR 219 Cost Impacts by Industry

Industry	NAICS*	One-time	Annual
Construction	23	\$15,578	\$3,549
Fabricated metals	322	\$233,675	\$53,229
Waste and remediation services	562	\$15,578	\$3,549
Retail trade (auto repair)	441	\$3,116	\$710
All industries**		\$3,116	\$710
Grand Total		\$271,063	\$61,747

*North American Industrial Classification System

**Could belong to any industry.

Additional Savings

The proposed amendments would add new equipment categories for exemption from the requirement to obtain a written permit, which would eliminate or reduce permitting costs of those equipment. Affected equipment in this category includes passive carbon filters for food waste slurry storage tanks, sub-slab ventilation system, storage of aqueous urea solution, equipment used to brew beer, and equipment used

to manufacture dehydrated meat. In addition, PAR 219 would expand existing exemptions for coffee roasting equipment. With the exception of the storage tanks for aqueous urea solution category, PAR 219 would eliminate both the one-time and annual fees for permitted equipment². The reduction in one-time application costs provides an estimate of future avoided filing costs assuming new permit applications stay at the existing level. Since storage tanks for aqueous urea would be required to submit a registration under PAR 222, costs relative to permitting would be reduced but not eliminated entirely for this source category.

Of the approximately 89 estimated pieces of equipment affected by the new exemptions under the proposed amendments, equipment used to manufacture dehydrated meat and coffee roasting equipment are the largest categories. Under the proposed amendments, units in the categories of sub-slab ventilation systems, storage of aqueous urea solution, and equipment used to manufacture dehydrated meat would no longer be subject to a one-time permit processing fee of \$2,482.82 and an annual operating permit renewal fee of \$354.86 (Rule 301 Schedule B). Units in the categories of equipment used in brewing beer would no longer be subject to a one-time permit processing fee of \$3,927.10 and an annual operating permit renewal fee of \$1,270.97 (Rule 301 Schedule C). Lastly, units in the category of coffee roasting equipment and passive carbon filters for food waste slurry tanks would no longer be subject to a one-time permit processing fee of \$1,557.83 and an annual operating permit renewal fee of \$354.86 (Rule 301 Schedule A).

The total one-time and annual savings of PAR 219 is estimated at \$183,972 and \$34,333, respectively. Table 3 shows the distribution of estimated savings among the affected equipment categories as owners/operators of the affected equipment will not have to pay for permits.

Table 4-3
Estimated PAR 219 Saving Impacts by Equipment Category

Equipment Category	No. Affected Units	One-time	Annual
Passive carbon filters for food waste slurry storage tanks	3	-\$4,673	-\$1,065
Sub-slab ventilation system	3	-\$7,448	-\$1,065
Storage of aqueous urea solution	3	-\$7,448	-\$1,065
Equipment used to manufacture dehydrated meat.	67	-\$137,044*	-\$23,776
Equipment used to brew beer	3	-\$11,781	-\$3,813
Coffee roasting equipment	10	-\$15,578	-\$3,549
Grand Total	89	-\$183,972	-\$34,333

*Includes discounts for one-time subsequent identical applications.

² Units in the category of portable equipment registration program engines used in the outer continental shelf are not required to submit applications for written permit, as such there are no savings in this source category relative to permitting fees.

Table 4 shows the distribution of estimated savings by major industry as owners/operators of affected equipment no longer have to pay for permit processing fees. The largest amount of estimated savings would occur in the food manufacturing sector where most of the equipment used to manufacture dehydrated meat and coffee roasting equipment belong.

Table 4-4
Estimated PAR 219 Saving Impacts by Industry

Industry	NAICS*	One-time	Annual
Construction (Commercial buildings)	236	-\$7,448	-\$1,065
Food manufacturing	311	-\$152,622	-\$27,325
Beverage manufacturing	312	-\$11,781	-\$3,813
Waste management	562	-\$4,673	-\$1,065
All industries		-\$7,448	-\$1,065
Grand Total		-\$183,972	-\$34,333

*North American Industrial Classification

Impacts of Proposed Amendments to Rule 222 (PAR 222)

Rule 222 is an administrative rule that, for certain equipment categories that have a low emissions profile, provides a simplified filing process in lieu of permitting. Under existing Rule 222, affected equipment requiring a written registration is subject to a one-time registration processing fee of \$198.13 when applying for a filing and an annual operating fee of \$198.13 thereafter.

PAR 222 would add four new source categories of equipment to the Rule 222 filing program. Affected equipment includes industrial water cooling towers located mainly in chemical plants and refineries, natural gas and crude oil production, storage tanks for aqueous urea solutions, and Portable Equipment Registration Program (PERP) engines used in the outer continental shelf (OCS).

As with the cost and saving analysis of the PAR 219, staff lacks sufficient data to accurately identify counts for the affected equipment under PAR 222 because the potentially affected facilities are not currently in the SCAQMD permitting database. As such, staff has estimated a range for the potentially affected equipment and has considered a conservative scenario by using the high-end of the estimated affected equipment in each category as shown in Table 5. Under this conservative approach, there would be approximately 311 units affected within a variety of industries as presented in Table 5. As presented in Table 6, about 34% of total annual costs would occur in the oil and gas extraction sector where most of the equipment used for natural gas and crude oil production and PERP engines used in OCS belong.

Table 4-5
PAR 222 Cost Impacts by Equipment Category

Equipment Category	No. Affected Units	One-time	Annual
Industrial water cooling towers	100-200	\$39,626	\$39,626
Natural gas and crude oil production	50-100	\$19,813	\$19,813
Storage tanks for aqueous urea solutions	≤ 3	\$594	\$594
PERP engines used in the OCS	≤ 8	\$1,585	\$1,585**
Grand Total	≤ 311	\$61,618	\$61,618

*The cost was estimated based on the high-end estimates of the number of affected sources.

** PERP equipment is limited to no more than 12 month use in a single location. Therefore, the annual cost represents recurring one-time registration fees as it is assumed that different equipment will be used for each occurrence.

Table 4-6
PAR 222 Cost Impacts by Industry

Industry	NAICS	One-time	Annual
Oil & gas extraction	211	\$21,398	\$21,398
Petroleum and coal product manufacturing	324	\$19,813	\$19,813
Chemical manufacturing	325	\$19,813	\$19,813
Utility (Water District)	221	\$594	\$594
Grand Total		\$61,618	\$61,618

Overall Cost Impacts of PAR 219 and PAR 222

As presented above, the PAR 219 is estimated to have an overall net one-time cost of \$87,091 (\$271,063-\$183,972) and net annual cost of about \$27,414 (\$61,747-\$34,333). The net total annualized cost of PAR 219 is estimated to be \$38,125³.

The total annualized cost of PAR 222 is estimated to be \$69,197. Therefore, the overall combined net annualized cost impacts of PAR 219 and PAR 222 are estimated to be \$107,332 (\$38,125+\$69,197).

It has been a standard socioeconomic practice that, when the annual compliance cost is less than one million current U.S. dollars, the Regional Economic Impact Model (i.e., the REMI Policy Insight model) is not used to simulate jobs and macroeconomic impacts. This is because the resultant impacts would be diminutive relative to the baseline regional economy. Since the overall annualized cost impacts of PAR 219 and PAR 22 is estimated at about \$107,000, REMI is not used.

³ The one-time cost is amortized over 10 year equipment life using a four-percent real interest rate.

Incremental Cost Effectiveness

Under Health and Safety Code § 40920.6, the AQMD is required to perform an incremental cost analysis when adopting a Best Available Retrofit Control Technology (BARCT) rule or feasible measure required by the California Clean Air Act. To perform this analysis, the AQMD must (1) identify one or more control options achieving the emission reduction objectives for the proposed rule, (2) determine the cost effectiveness for each option, and (3) calculate the incremental cost effectiveness for each option. To determine incremental costs, the AQMD must “calculate the difference in the dollar costs divided by the difference in the emission reduction potentials between each progressively more stringent potential control option as compared to the next less expensive control option.” The proposed amendments to Rules 219 and 222 do not implement a more restrictive BARCT or feasible control measure, and therefore § 40920.6 is inapplicable.

Rule Adoption Relative to the Cost-effectiveness Schedule

On October 14, 1994, the Governing Board adopted a resolution that requires staff to address whether the proposed amendments being considered for adoption are in rank order of cost-effectiveness in the Air Quality Management Plan (AQMP). The proposed amendments to Rules 219 and 222 are not part of the AQMP; therefore, the ranking order of cost-effectiveness is not applicable.

DRAFT FINDINGS UNDER CALIFORNIA HEALTH AND SAFETY CODE 40727

The draft findings include necessity, authority, clarity, consistency, non-duplication and reference, as defined in Health and Safety Code Section §40727. The draft findings are as follows:

Necessity - The AQMD Governing Board finds and determines that Proposed Amended Rules 219 and 222; Equipment and Not Requiring A Written Permit Pursuant To Regulation II and Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II, is necessary to enhance recordkeeping and reporting, and provide a simpler, more expeditious and cost-effective option to local facilities and the District.

Authority - The AQMD Governing Board obtains its authority to adopt, amend or repeal rules and regulations from Health and Safety Code §§ 40000, 40001, 40440, and 42300 et seq.

Clarity - The AQMD Governing Board finds and determines that Proposed Amended Rules 219 and 222 are written and displayed so that the meaning can be easily understood by persons directly affected by it.

Consistency – The AQMD Governing Board finds and determines that Proposed Amended Rules 219 and 222 are in harmony with, and not in conflict with or contradictory to, existing statutes, court decisions, or federal or state regulations.

Non-Duplication – The AQMD Governing Board has determined that Proposed Amended Rules 219 and 222 do not impose the same requirement as any existing state or federal regulation, and the proposed

amendment is necessary and proper to execute the powers and duties granted to, and imposed upon, the AQMD.

Reference - In adopting this proposed amendment, the AQMD Governing Board references the following statutes which AQMD hereby implements, interprets or makes specific: Health and Safety Code §§40000, 40001, 40440, and 42300 et seq.

COMPARATIVE ANALYSIS

California Health and Safety Code Section 40727.2 requires the comparative analysis with any federal or other AQMD rules that apply to the same equipment or source type as the proposed amendments. There are no federal requirements for these small emitting types of equipment. The proposed amended rules do not impose a new emission limit or standard, make an existing emission limit or standard more stringent, or impose new or more stringent monitoring, reporting or recordkeeping requirements and, therefore, a comparative analysis pursuant to Health and Safety Code Section 40727.2(g) is not required.

DRAFT CONCLUSIONS AND RECOMMENDATIONS

Staff recommends that PAR219 and PAR222 be adopted in efforts to streamline the current permitting system.

REFERENCES

Designing Efficient Sub Slab Venting and Vapor Barrier Systems for Schools and Large Buildings, T. Hatton, 2010, Proceedings of 2010 Radon Symposium

United States Environmental Protection Agency, March 2008 *Brownfields Technology Primer: Vapor Intrusion Considerations for Redevelopment*, EPA 542-R-08-001

United States Environmental Protection Agency, February 2004, *User's Guide for Evaluating Subsurface Vapor Intrusion into Building*

Steam: Its Generation and Uses. Babcock & Wilcox

INTERNET REFERENCES:

<https://www.arb.ca.gov/portable/perp/perpreg.pdf>

<https://www.env.nm.gov/aqb/permit/documents/PermittingGuidanceforCoolingTowerParticulateEmissions.pdf>

<https://www.arb.ca.gov/regact/2016/oilandgas2016/oilgasappa.pdf>

<http://textilelearner.blogspot.com/2013/01/sueding-machine-specification-of.html>

https://www.osha.gov/pls/oshaweb/owadisp.show_document?p_table=STANDARDS&p_id=10100

APPENDIX A: COMMENTS RECEIVED AFTER PUBLIC WORKSHOP

**APPENDIX A: COMMENT LETTERS RECEIVED DURING COMMENT PERIOD
March 2 to March 10, 2017**

The following comments are from Southern California Alliance of POTWs (SCAP) – Comment Letter #1



March 9, 2017

Mr. Robert Gottschalk, Air Quality Specialist
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, California 91765

Dear Mr. Gottschalk:

Re: Comments on Proposed Amended Rule 219

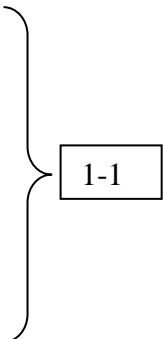
The Southern California Alliance of Publicly Owned Treatment Works (SCAP) appreciates this opportunity to provide comments on Proposed Amended Rule 219. SCAP represents 83 public agencies that provide essential water supply and wastewater treatment to nearly 19 million people in Los Angeles, Orange, San Diego, Santa Barbara, Riverside, San Bernardino and Ventura counties. SCAP’s wastewater members provide environmentally sound, cost-effective management of more than two billion gallons of wastewater each day and, in the process, convert wastes into resources such as recycled water and biogas.

The purpose of this letter is to expand upon comments provided by our members at the March 2, 2017 public workshop. We greatly appreciate the dialog with staff during the workshop, which helped focus our comments and recommendations outlined below.

Passive Carbon Adsorbers (d)(10):

AB 1826 requires local jurisdictions across the state implement an organic waste recycling program. Food waste can be recycled through composting and anaerobic digestion, which can be used to produce a renewable fuel. One of our members is planning on installing holding tanks to support the processing of food waste slurry from an existing material recovery facility that will subsequently be transported to a wastewater treatment plant for digestion. In order to minimize potential odors during the displacement of headspace within these tanks, we respectfully request the following modification to this provision that is consistent with the existing Rule 219 language which addresses similar facilities at wastewater treatment plants:

Passive carbon adsorbers, with a maximum vessel capacity of no more than 120 gallons, without mechanical ventilation, and used exclusively for odor control at wastewater treatment plants, food waste slurry storage, or sewer collection systems, including sanitary sewers, manholes, and pump stations.



1-1

P.O. Box 231565

Encinitas, CA 92024-1565

Fax: 760-479-4881 Tel: 760-479-4880 Website: www.scap1.org Email: info@scap1.org

Mr. Gottschalk

March 9, 2017

Welding Equipment, Oxygen Gaseous Fuel-Cutting, Laser Cutting Equipment (e)(8):

As discussed during the public workshop, we have concerns about how the operation and maintenance of existing infrastructure could be impacted by the proposed amendment of this provision. Due to the challenge of identifying Material Safety Data Sheet (MSDS) information for existing infrastructure and the proposed low trigger levels for chromium, nickel, cadmium and lead, we would need to assume that cutting any metals would trigger permitting. To better understand the potential impacts from cutting these alloys, we request that health risk analyses be provided for public review. Based upon the discussion at the public workshop, it's our understanding that the production of metal parts is the primary concern to be address by the proposed amendment. In order to minimize the permitting of negligible sources, we respectfully propose the following modification of this provision:

Welding equipment, oxygen gaseous fuel-cutting equipment, hand-held plasma-arc cutting equipment, hand-held laser cutting equipment, laser etching or engraving equipment and associated air pollution control equipment. This exemption does not include ~~anythis~~ equipment ~~that isif~~ used to cut stainless steel, or alloys containing 0.1% by weight or more of chromium, nickel, cadmium or lead, or laser cutting, etching and engraving equipment that are rated more than 400 watts. Cutting activities associated with maintaining carbon or metal alloy infrastructure is exempt from permitting.

1-2

Although not included in our proposed amended language, we are concerned that many metal manufacturers may not be focused on the pollution potential from cutting certain alloys. As a result, MSDS information frequently lists a percentage chromium, nickel, cadmium and lead content of "< 1 percent". The proposed limit of 0.1 may inadvertently limit the use of these materials, so we recommend that staff review available MSDS sheets for various metals to ensure that the proposed limit is feasible at this time. Finally, the staff report should be updated to reflect the amended version of this provision.

Abrasive Blast Cabinets (f)(2):

The amendments propose to remove the exemption for abrasive blast cabinets 53 cubic feet or less when materials containing arsenic, beryllium, cadmium or lead are used as blast media or subject to blasting. As voiced during the public workshop, we have concerns that this requirement will capture the multiple cabinets at our members' facilities that can be used to blast small parts as part of intermittent maintenance operations. These cabinets with filters are typically located inside a shop environment. To better understand the potential impacts posed by use of these abrasive blast cabinets during such maintenance operations, we request that health risk analyses be provided for public review. However, at this time, SCAP respectfully requests that this exemption be maintained without modification.

1-3

Thank you for the opportunity to comment on Proposed Amended Rule 219. If you have any questions regarding our comments, please do not hesitate to contact Mr. David Rothbart of the Los Angeles County Sanitation Districts, SCAP Air Quality Committee Chair at (562) 908-4288, extension 2412.

Sincerely,



Steve Jepsen, Executive Director

cc: Ms. Susan Nakamura, SCAQMD
Mr. David Ono, SCAQMD

Response to comment 1-1:

Staff appreciates the comment and understands the commenter's rationale for requesting an expansion of the exemption under paragraph (d)(10). Language has been added to paragraph (d)(10) to include "food waste slurry storage tanks" under the exemption.

Response to comment 1-2:

Staff understands the concern with regard to establishing a low threshold exemption level of 0.1% for toxic compounds during cutting of alloys. Staff's concern is that cutting of these alloys may result in potential toxic emissions of concern, and resultant health impacts from these operations. However, staff believes these impacts are greatest for production cutting, rather than for maintenance and repair operations. Therefore, the proposed language of paragraph (e)(8) has been modified to include the following clarification regarding the limitation of this exemption:

"This exemption does not include cutting equipment described in this paragraph that is used to cut stainless steel, or alloys containing 0.1% by weight or more of chromium, nickel, cadmium or lead, unless the equipment is used exclusively for maintenance or repair operations."

Response to comment 1-3:

The proposal to limit the exemption based on the presence of toxics (As, Be, Cd, Pb, and potentially Cr and Ni) in either the blast media or the substrate being blasted has been withdrawn. However, staff continues to believe small blast cabinets that are not properly maintained, operated and controlled may pose a potential health risk. As staff develops source-specific rules for industry categories where blast cabinets are used, staff will further assess the need for pollution controls. If a source specific rule is developed under Regulation XIV, permitting would be required under the PAR 219(s)(4).

The following comments are from Tesoro Logistics – Comment Letter #2



Tesoro Logistics Operations LLC
 6 Centerpointe Drive, 5th Floor
 La Palma, CA 90623
 (714) 880-1715

March 9, 2017

Mr. Tracy A. Goss, P.E.
 Planning, Rule Development and Area Sources
 South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765

**RE: Written Comments to February 2017 PAR 219 Preliminary Draft Staff Report
 Floating Roof Tanks/Vapor Sock Exemption Proposal**

Mr. Goss:

Tesoro Logistics Operations LLC (TLO) and Tesoro Refining & Marketing (TRMC) submit these written comments to the February 2017 Preliminary Draft Staff Report to Proposed Amended Rule 219, specifically regarding Tesoro’s proposal to provide a new exemption for vapor socks on floating roof tanks. Excerpted below in the far right column are the two reasons District staff provided to recommend the topic be deferred. Tesoro would like to provide additional feedback.

Table 2-4 - Stakeholder Requests to Consider in PAR 219 and PAR 222

Equipment or Process	Proposal	Discussion	Disposition of Request
Floating Roof Tanks	Provide a new exemption for vapor socks on floating roof tanks, in lieu of guidepole floats on slotted guidepoles. Suggested language 219(c)(11) "Replacement of a slotted guidepole float with a vapor sock on floating roof tanks." Exemption change would allow radar gauging to be better able to measure liquid level in the tank. This will benefit up to 200 tanks at a number of the commenter's locations - other facilities may take advantage of such an exemption as well.	This change would allow replacement of guide floats with vapor socks without submitting an application for permit modification. Commenter cites tank seal replacement as precedent for this request. Tanks subject to Rule 1178 have more stringent requirements than tanks subject to Rule 463. Storage Tank Emission Reduction Partnership Program (STERRP) agreement seems to indicate equivalency between guide pole floats and vapor socks.	Did not incorporate proposal. Allowing such a change without submitting an application for permit modification would mean the permit would not accurately reflect the physical conditions of the tank and would not allow SCAQMD to conduct an appropriate BACT analysis.

2-1

- 1. Permit Equipment Description:** Tesoro Logistics has reviewed 140 tank permits and do not see any instances where the replacement of a pole float with a vapor sock would affect the existing permit equipment description. Some Tesoro Refining & Marketing tank permits have additional detail in the equipment description that includes a “guidepole, slotted, with gasketed sliding cover, pole sleeve and pole wiper”. Please note that these more detailed equipment descriptions would not be impacted by a float removal and replacement with a flexible enclosure device (i.e. vapor sock) because the pole sleeve and wiper remain intact; the change only affects the float which is not listed in any of the tank equipment descriptions. Based on our reviews, the change does not appear to affect even these more detailed permit equipment descriptions.

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March 9, 2017

- 2. **BACT Analysis:** EPA has stated in the 2000 STERPP agreement (65 FR 19891) that flexible enclosures (i.e. vapors socks) “can reduce emissions to a level comparable to that achievable with a pole float system”. The 1 lb/day criteria for performing a BACT analysis is not triggered by the replacement of a pole float with a vapor sock. As such, filing permit modifications that show zero change in emissions and therefore don’t trigger a BACT analysis are a time consuming and futile exercise. The equivalency of a vapor sock to a pole float from an emissions standpoint is further reinforced by the following:
 - a. EPA Tanks 4.0 software depicts the change as zero lb/day (because there is no change in the way the software represents this physical change; the “before” case is identical to the “after” case).
 - b. Tesoro conducted EPA Method 21 field readings before and after the change and found that not only was there zero VOC emissions from the vapor sock, but in fact, it represented a small **reduction** in VOC emissions from the pole float design. The “before” case with the pole float installed was .8ppm whereas the “after” case with the vapor sock installed and the pole float removed (on one crude EFR and one slop EFR) was 0.0ppm VOC.
 - c. Tesoro used a FLIR (thermal imaging infrared) camera before and after the change and the camera showed no visible VOC leaks around the guidepole, including the interface of where the vapor sock is clamped to the guidepole.
 - d. Tesoro hosted AQMD to observe an installed vapor sock up close while on the roof of an external floating roof tank where the District’s FLIR camera was used, further confirming there were no VOC leaks from the vapor sock.

2-2

Additional issues:

- 1. **Precedence:** This exclusion from submittal of permit modifications may set a Rule 219 precedence for many additional permit modification exclusions: The existing 219(c)(4) exemption from permit modifications for seal replacements has been in place for decades and has not resulted in an increase in requests for unique modification exclusions.
- 2. **AQMD Legal memo regarding federal and local rule equivalency:** Tesoro does not believe it is necessary for AQMD’s legal department to confirm what has been clearly stated in the federal register by EPA as being comparable technology and confirmed through our field testing and by the manufacturer’s field experiences. We also don’t believe it is necessary to modify existing Rule 1178 simply because it refers to pole floats in (d)(1)(x) and (xii). What we are proposing is that this be addressed in the Rule 219 language, to clearly acknowledge the equivalency with both EPA’s STERPP and Rule 1178. (See suggested 219(c)(4) language below).
- 3. **Rule 463 Tank Inspection and Maintenance Plans (I&M):** No revisions are necessary to the currently approved 463 I&M Plans because the existing inspection frequencies (twice per year at 4 to 8 month intervals per 463(c)(3)(A)), visual observations, measurements, LEL monitoring, and inspection documentation forms (per 463 Attachment B “Inspection Procedures and Compliance Report Form”) remain the same and unchanged. A visual inspection that looks for holes, tears, uncovered openings, or vapor leaks of a slotted guidepole float system (including any wipers, sleeves, gaskets) would continue to occur at the same frequency by certified 463 inspectors. Furthermore, the 72 hour maintenance requirements of Rule 463(c)(4) would still apply whenever a vapor sock was substituted for a pole float.

2-3

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Rather than creating a new exclusion in 219 that will appear many paragraphs away from the existing floating roof exclusion, we think it may be worthwhile to combine the two and revise 219(c)(4) as shown below in red:

- (c)(4) **Replacement of *either of the following on floating roof tanks:***
 - (A) **Seals, provided that the replacement seal is of a type and model which the Executive Officer has determined is capable of complying with the requirements of Rule 463.**
 - (B) ***Slotted guidepole floats, provided that the replacement is a flexible enclosure device (e.g. vapor sock) which meets Option 6 of EPA's acceptable control options for slotted guidepoles under the Storage Tank Emission Reduction Partnership Program (STERPP Agreement in 65 FR 19891). EPA states that flexible enclosure devices can reduce emissions to a level comparable to that of a pole float system. Where Rule 1178 specifies a pole float be in place and maintained, a flexible enclosure device is also deemed comparable to that of a pole float system. This exemption only applies to replacements that do not otherwise change the existing permit equipment description.***

2-4

We hope that you will take this information into additional consideration as we believe we are close to coming to a resolution and do not believe it is necessary to defer this topic to the next Rule 219 revision cycle. If you have any questions, please feel free to contact Ruthanne Walker at (714) 880-1715.

Sincerely,


 Ruthanne Walker
 Sr. Environmental Specialist
 Tesoro Logistics Operations LLC
 Southern California Light Products Terminals

- Emailed cc:
- David Ono SCAQMD
 - Laki Tisopoulos SCAQMD
 - Susan Stark Tesoro Refining & Marketing
 - David Essex Tesoro Refining & Marketing
 - Robert Nguyen Tesoro Refining & Marketing
 - Donna DiRocco Tesoro Logistics
 - Lucina Lopez Tesoro Logistics
 - Shan Mathews Tesoro Logistics

Response to comment 2-1:

Thank you for your additional comments and for hosting staff at your facility to inspect an installed vapor sock. Including the reasons cited in the Preliminary Draft Staff Report, there are several reasons staff did not incorporate the requested exemption in the staff proposal to replace the pole float on a slotted guidepole with a vapor sock. Briefly, these reasons include:

1. For tanks subject to the requirements of Rule 463, there is no requirement under Rule 463 to repair or replace a vapor sock if it is damaged. Rule 463 requires tank owners/operators to maintain an approved Inspection and Maintenance Plan [463(e)(1)(A)], that specifies certain information, including tank ID, design capacity, product, shell type, dimensions, seal type and manufacturer, floating roof type, date of construction and location. However, it does not require pole vapor control technology to be listed in the plan and there is no requirement in Rule 463 to repair a damaged vapor sock if discovered. Attachment B lists inspection procedures for floating roof tanks but does not speak to inspection of vapor socks or other vapor control technology. There is no requirement to replace or repair a torn vapor sock within a specified time period.
2. Vapor sock equivalency with slotted guidepole float – Staff acknowledges that under the Storage Tank Emission Reduction Partnership Program (STERPP), Option 6 allows a flexible enclosure (i.e. vapor sock) for slotted guidepoles [65 FR 19891, April 13, 2000]. However, this determination of equivalency was made at the federal level and staff has not had the opportunity to verify equivalent emissions. The TANKS program used by staff to calculate emissions does not have an option for vapor socks. Staff is not aware of a suitable source testing protocol to test fugitive emissions. In addition, the long term durability of vapor socks is not known. For example, the secondary seal under the zipper may leak over time as the vapor sock is repeatedly compressed and extended. Local jurisdictions, including SCAQMD are required to be as stringent as federal requirements, but can be more stringent, as is the case with Rule 1178 and New Source Review, as discussed below.
4. Replacement without permit modification – a facility’s permit may not be accurate if the permit specifies a guidepole float and may cause enforcement issues. Regarding the comment about equipment description changes, the commenter has only reviewed their own permit descriptions, but presumably not those of other facilities that may take advantage of an exemption that would allow such a replacement of existing control equipment without a permit modification.
5. Verifying Requirements for Tanks Subject to Rule 1178 – Tanks subject to Rule 1178 (>19,815 gallon tanks storing organic liquids with vapor pressure >0.1 psi at facilities greater than 20 tons per year of VOC emissions) are required to either use a gasketed cover, pole wiper and pole sleeve [1178(d)(1)(A)(ix)] or a pole float with gasketed cover, pole wiper and pole float wiper [1178(d)(1)(A)(x)]. There are only two compliance options. A vapor sock is not an option under Rule 1178. Tanks where a pole float is removed would need to comply with [1178(d)(1)(A)(ix)]. There is no opportunity for SCAQMD to verify compliance with this requirement, including proper installation, if an exemption allows removal of the pole float without a permit.
6. Precedent of Tank Seal Replacement – Staff recognizes Rule 219(c)(4) allows replacement of tank seals without permit modification. At times, this exemption has caused discrepancies between the permit description and actual installation in addition to inaccuracies in emissions calculations. Furthermore, other districts do not allow replacement of a tank seal or installation

of a vapor sock in place of a slotted guidepole float. For example, both Santa Barbara APCD and Bay Area AQMD both require a permit modification for primary or secondary tank seal replacement, as well as for vapor sock installation. Finally, replacement of an old seal with a new seal in general will result in emission reductions, whereas replacement of a float with a vapor sock is estimated to result in an emissions increase, albeit a small one.

Response to comment 2-2:

A permit evaluation involves other elements in addition to BACT analysis, including evaluation of compliance with all local, state and federal rules, and establishing appropriate conditions under a permit to ensure the vapor control technology is properly installed and maintained. As previously discussed in the response to comment 2-1, the local rule analysis includes SCAQMD Rules 463 and 1178, in addition to New Source Review (NSR) among others. Such installation of vapor socks may trigger NSR for pre-NSR tanks.

Response to comment 2-3:

As discussed in the responses to comments 2-1 and 2-2, staff needs to condition the control technology to ensure it is installed and operating properly.

Response to comment 2-4:

Thank you for your suggested permit language, but staff proposes to defer any action on your proposed exemption during this rulemaking. Staff intends to commit to Resolution language to work with US EPA, CARB and the industry to evaluate a path forward for replacement of slotted guidepole floats with vapor socks; potentially including a return to our Governing Board in 12 to 18 months with a recommendation for possible rule amendments.

The following comments are from Moog – Comment Letter #3 – received via email

Dear Robert Gottschalk,

In reviewing the proposed amendments to Rule 219, I have some concerns regarding some equipment that may now require permits and some concerns on interpretations. Below I list the specific parts of Rule 219 that I would like to comment on.

(f) Abrasive Blasting Equipment

Can the exemption consider whether or not the blasting unit is vented outside or not, or if they have specific filtration? If the equipment does not vent outside, or have filtration at ___ level of efficiency, I would think it would meet the” Purpose” of Rule 219 (...that emit small amounts of air contaminants...).

} 3-1

(s) Exceptions

Specifically (s) (5) – The wording is vague to me and it’s not clear to me where a line can be drawn for which equipment does and does not apply. For example, would a soap rinse tank on a line with other permitted tanks fall into this, or a solvent tank used to clean paint gun equipment used in a permitted spray booth, or the equipment used to maintain water quality (holding tank and chemistry) for a permitted boiler? This seems to be a blanket statement that could end up capturing otherwise unregulated equipment (and ones that would likely fall into an exemption in Rule 219) and I feel clarification is needed. A better definition of equipment would be helpful as well as clarification on what AQMD wants to cover under this section. I would also suggest wording be added so that if the equipment otherwise falls in Rule 219, it does not need fall in (s)(5).

} 3-2

In addition, I fail to see the benefit of adding this requirement. If the equipment is not otherwise regulated and requiring a permit, why include it in a permit? I see that in the Preliminary Draft Staff Report, that the basis of the proposed change is possible future requirements under Rule XIV. Couldn’t a blanket statement, if not already in Rule 219, be added that states the exceptions apply unless regulated elsewhere in AQMD Rules? If the equipment is of concern, then it will be addressed at some point in another Rule. Otherwise, equipment not of concern could be captured, regulated and incur costs (my next point) which seems to me to be beyond the scope of AQMD.

Also, by adding this requirement, additional costs to modify the permit initially, or request a new permit if not already captured in a permit, will be incurred. Several thousands of dollars in cost could be involved for the time spent on modifying permits, permit application and renewal fees. This seems unnecessary for an otherwise unregulated item and quite burdensome to a facility. The additional costs could result in a significant burden to many facilities. In times where costs keep increasing and companies are struggling to cut costs and be lean, additional costs to permit otherwise unregulated equipment seems unfair to require.

I appreciate your consideration of my input. Should you have any questions, I can be reached at (310) 618-7648 or mbreiter@moog.com

Sincerely,

Michelle Breiter

Environmental and Process Engineer

Moog

20263 Western Ave

Torrance, CA 90501

310-618-7648

Response to comment 3-1:

See response to comment 1-3.

Response to comment 3-2:

The intent of the language proposed under paragraph (s)(5) was that exempt equipment not currently listed on any permit would be listed on an associated permit when that permit was opened for other reasons, after the date of rule amendment for PAR 219. The intent was not to require a permit amendment for the sole purpose of adding exempt equipment to a permit. However, staff appreciates the comments regarding further clarification of the equipment intended to be captured under this exception, and the costs associated with permit modification, application and renewal fees. Therefore, staff has focused the types of equipment intended to be captured under this exception to two areas: currently exempt water quench tanks and other equipment that are an integral part of a heat treatment process, and currently exempt rinse tanks, dye tanks, seal tanks that are an integral part of a metal finishing operation. This applies to exempt equipment listed under paragraph (e)(12) for heat treatment equipment, and paragraphs (p)(4) and (p)(5) for metal finishing operations. The language related to the proposal under paragraph (s)(5) has been clarified and moved to paragraph (e)(21) for heat treatment equipment and (p)(23) for metal finishing operations.

The following comments are from Ecotek – Comment Letter #4 – received via email

Dear Mr. Gottschalk,

I appreciate the opportunity to submit a comment in regards to the proposed Rule 219.

I am very concerned about proposed Exemption to Exemptions R219(s)(5).

(s) Exceptions

Notwithstanding equipment identified in (a) through (r) of this rule, written permits are required pursuant to paragraphs (s)(1), and (s)(2), (s)(4), and (s)(5), and filings are required under Rule 222 pursuant to paragraph (s)(3):

(5) Equipment that is an integral part of a series of permitted items, making up one continuous flow, unless it is listed or otherwise identified in an associated permit.

I believe that as currently proposed this exemption is too general and open to interpretation. Reading R219(s)(5) without looking the staff report it could be interpreted as negating the whole Rule 219 and its purpose, since any equipment could be interpreted as “an integral part of a series of permitted items”, otherwise, if not needed for a process, it would not be in use.

I do not believe that this was AQMD’s intent, being flooded with permit applications for every minimum emissions source (such as <50HP ICE) because it is used in association to permitted unit?

In addition, as proposed, R219(s)(5) would greatly expand Source specific rules applicability for Rules that apply only to permitted sources. For example, was it intended for this exemption to require NOx control for every small unit of 410,000 BTU/hr? Please keep in mind that if the unit is physically connected, it would already be listed in the permit.

Furthermore, if we start permitting or adding to the existing permits every previously exempted source, then every change to previously exempted sources would require application and application fee for Equipment Modification.

Looking at the staff report I understood that SCAQMD had uncovered specific concerns related to specific rinse tanks and of course that needs to be addressed, but the rule change should be more specific.

I would like to appeal for a reevaluation and reformulation of the proposed R219(s)(5) to specifically target newly discovered concerns that would afford the AQMD staff the opportunity to evaluate specific equipment of concern for emissions and potential toxics risk, without introducing excessive and unwarranted burden for AQMD and the regulated facilitates.

4-1

Thank you.

Best Regards,

Natasha M. Meskal
Ecotek
17610 Beach Blvd. Ste. #47
Huntington Beach, CA 92647
(714) 596-8836 Ext. 304
(714) 596-8837 Fax
www.ecotek.com

Response to comment 4-1:

Staff appreciates your concerns regarding the exception potentially being too general and open to interpretation. See response to comment 3-2.

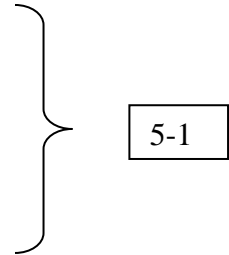
Regarding your comment on unpermitted equipment being evaluated for source specific rules, if equipment that is currently exempt is added to an associated permit when that permit is open for another reason, the exempt equipment will not be evaluated for New Source Review under Regulation XIII, Rule 1401 – New Source Review of Toxic Air Contaminants, or Rule 1147 – NO_x Reductions from Miscellaneous Sources, unless the Executive Officer determines that equipment does not fall under an exemption in Rule 219.

The following comments are from Southern California Edison – Comment Letter #5 – received via email

Dear Mr. Gottschalk,

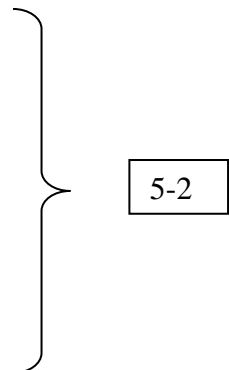
Southern California Edison (SCE) welcomes the opportunity to comment on the subject amended rules.

First of all, we offer a general proposal for Rule 222 with regard to Title V facilities. Title V permits are already required to list exempt equipment that operates at a Title V facility along with all of the permitted equipment. We find that a further registration step for certain exempt equipment is unnecessarily duplicative. We therefore propose that the applicability section of the rule include a statement that the rule does not apply to Title V facilities.

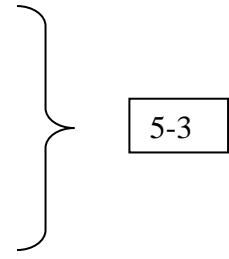


We also offer the following specific comments for proposed amended Rule 219.

Section (f)(2) proposes to limit the exemption for small, manually operated blast cabinets by excluding blast media and materials to be blasted containing arsenic, beryllium, cadmium or lead. While this proposed prohibition may be practical with regard to the blast media, it is very impractical with regard to material subject to blasting in a facility maintenance setting. We simply are not in a position to know whether or not these substances are contained in equipment or structures subject to maintenance operations that occur at our generating stations, substations or other facilities. We cannot know whether or not we are in compliance. SCE suggests that the limitation for these substances contained in material subject to blasting not apply to maintenance operations.



Section (m)(2) exempts from permit requirements, containers holding less than 500 pounds of anhydrous ammonia, among other materials. SCE proposes that the exemption include the same amount of aqueous ammonia as well. It seems obvious that the potential harm resulting from an aqueous ammonia release is far less than that from an anhydrous release. We believe that including small amounts of aqueous ammonia storage with the exemption for anhydrous ammonia is warranted.



Please feel free to contact me with any questions. Thank you.

Uve Sillat, P.E., C.P.P.
Southern California Edison
CES Technical Services-Air Quality
6040 Irwindale Ave., Irwindale CA 91702
Office: 626-633-3346 (PAX 43346)
Cell: 626-476-6394

Response to comment 5-1:

Regarding registration of exempt equipment being duplicative for Title V facilities, under the proposed changes to Rule 222, staff is proposing to add only a limited number of source categories to the list of equipment to be registered. Although Title V permits list Rule 219-exempt equipment, in many cases they do not list equipment in sufficient detail to identify specific equipment. For example, Title V permits for gas storage facilities may only list Rule 219-exempt oil and gas well heads and pumps as a single line item on the permit, irrespective of the actual number of well heads and pumps. Under the Rule 222 registration program, these well heads and pumps are currently registered in groups of four, and under the staff proposal, they will be individually identified by API numbers, which allows further identification by location within an oil field. This detail is necessary for SCAQMD compliance activities.

Response to comment 5-2:

See response to comment 1-3.

Response to comment 5-3:

Staff is aware of two recent permits issued for storage of aqueous ammonia; both were storage of less than 20% solutions of aqueous ammonia. Both were large tanks (> 10,000 gallons) of aqueous ammonia used for selective catalytic reduction. This issue was brought up early in the rule development process in terms of storage of much larger quantities than 500 pounds, as the commenter correctly states the exempt level for storage of anhydrous ammonia.

SCAQMD requires a permit for storage of large amounts of aqueous ammonia in order to ensure the application of appropriate controls and work practices are followed to minimize the chances for upset. However, the commenter may wish to bring the issue forward for consideration during the next amendment to Rule 219, with a specific lower threshold to be proposed for the storage of aqueous ammonia.

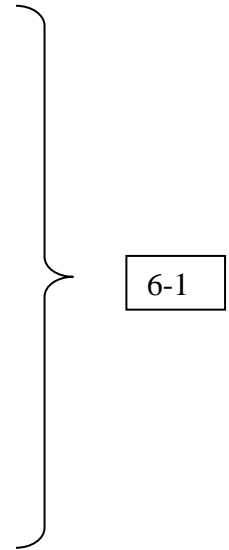
The following comments are from Milan Steube, Environmental Consultant – Comment Letter #6 – received via email

Robert and Tracy:

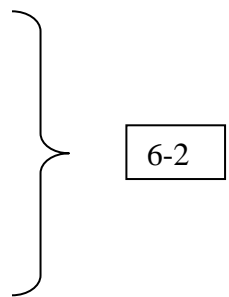
I wasn't able to attend today's Public Workshop for PAR219 and PAR222, but have the following brief comments:

PAR219(r)(1) – PERP Equipment:

- The addition of language to establish the applicable MRR protocol for PERP equipment used at RECLAIM facilities is problematic in that it essentially amends one rule by adding language in an unrelated rule. Though I'm sure it's not intended, this amendment, in a way, would set a potential compliance trap for well-meaning operators who carefully read the applicable RECLAIM rule and believe they are fully complying with its requirements when in fact they could be in violation because they failed to read the applicable language in Rule 219(r)(1). In addition, it is likely that some affected parties in the regulated community who are responsible for compliance with RECLAIM requirements at their facility are not even yet aware this change is being proposed because they may not have recognized that a proposed change to Rule 219 will affect RECLAIM requirements in this way. Thus, they won't recognize this opportunity to even comment on the proposed change. I believe the proper way to implement this change is to amend the RECLAIM rules directly and ensure the affected regulated community is fully aware of it via the usual rulemaking process.

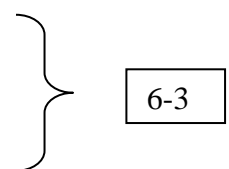


- Rule 2012(d)(1)(B) specifies criteria for classifying an internal combustion engine as a large source. If the proposed amendment is adopted, I assume the time criteria of 2,190 operating hours per year would apply to the time the engine is operated at the RECLAIM facility in question and not to the time the engine is operated at any facility during the year in question (?). The same question could be asked regarding the fuel usage criteria specified in Rule 2012(d)(1)(A). This is another reason this change should be implemented by amending the RECLAIM rules directly.



PAR219(n)(2):

- There appears to be a typographical error here: "Crude oil and natural gas pipeline transfer pumps, provided a filing pursuant to Rule 222 is submitted to the Executive Officer for natural gas pipeline transfer pumps.-"



Thanks,

Milan Steube, Environmental Consultant
SCAQMD Certified Permitting Professional
Phone: 949.309.9310
Fax: 949.588.7669
E-Mail: milans@cox.net

Response to comment 6-1:

The intent of subparagraph (r)(3) is to establish the appropriate protocol for RECLAIM facilities to use to report emissions from Rule 219-exempt equipment. It is the intent of staff to establish similar requirements in Rule 2011 - Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Sulfur (SO_x) Emissions and Rule 2012 - Requirements for Monitoring, Reporting, and Recordkeeping for Oxides of Nitrogen (NO_x) Emissions when these rules are next amended. However, staff appreciates the comment regarding operators of RECLAIM facilities that may not be aware of the amended language under the staff proposal in proposed amended rule (PAR) 219. This is an implementation issue which will be addressed by staff to ensure operators of RECLAIM facilities are made aware of the proposed rule language.

Response to comment 6-2:

RECLAIM requirements are individually applicable to each RECLAIM facility. The annual limit on operating hours will not be accumulated across two separate facilities.

Response to comment 6-3:

Staff thanks the commenter for pointing out this language discrepancy. The intent of the language under paragraph (n)(2) is to include natural gas transfer pumps as exempt equipment provided a filing pursuant to Rule 222 is submitted to the Executive Officer. The struck language has been restored.

The following comments are from Metropolitan Water District – Comment Letter #7 – received via email

Hello,

Metropolitan appreciates this opportunity to provide comments on Proposed Amended Rule (PAR) 219. As we have actively participated in the prior workgroups, the overall process to date has been very beneficial in working together on items of potential concern. This e-mail is a follow-up to our verbal comments made during the March 2nd Public Workshop.

(f)(2), Manually Operated Abrasive Blast Cabinets

The amendments propose to remove the exemption for manually operated abrasive blast cabinets, vented to a dust-filter where the total internal volume of the blast section is 53 cubic feet or less, when materials containing arsenic, beryllium, cadmium or lead are used as blast media or subject to blasting. For Metropolitan, this proposal would result in capturing multiple small cabinets located inside a shop environment which are typically used for infrequent, short-term maintenance activities. For worker safety purposes, these cabinets are kept maintained and employee exposure is not an issue. Therefore, we ask that the exemption be retained for the abrasive blast cabinets used in such maintenance operations.

7-1

• **(g)(2), Wood Products**

PAR 219 proposes to remove the wood product exemption for the “shredding, extruding, handling or storage of any organic waste material generated from gardening, agricultural, or landscaping activities including, but not limited to, leaves, grass clippings, tree and shrub trimmings and plant remains.” Per the Preliminary Draft Staff Report for PAR 219/222, dated February 2017, the reason for the removal of the exemption is that shredding of greenwaste has the potential for nuisance odors. Metropolitan owns one brush chipper that is used for periodic maintenance of our facilities. For this type of non-production/non-commercial activity, we ask that the exemption be retained.

7-2

• **(l)(9), Portable Coating Equipment**

The PAR 219 language proposes to exclude portable coating equipment and pavement stripers where supplemental heat is added during the coating or pavement striping operation. We would like clarification as to whether the supplemental heat referred to in this provision is externally applied, and/or integral to the coating equipment operation. Additionally, heated application equipment (e.g., heated pump manifolds, heat traced resin lines) can be used to heat and reduce the viscosity of some plural component coatings during application. These plural component coatings are high solids with minimal VOCs. Therefore, we ask that the exemption be retained for portable coating equipment that requires supplemental heat during the coating operations involving high solids, low-VOC coatings.

7-3

Thank you for your consideration of our comments. Please contact me if you have any questions.

Sincerely,

Carol Kaufman
Air Quality Program Manager
Metropolitan Water District of Southern California
700 North Alameda Street
Los Angeles, CA 90012
213-217-6207
FAX 213-217-6700
Cell 310-850-6105



Response to comment 7-1:

See response to comment 1-3.

Response to comment 7-2:

The exemption under paragraph (g)(2) was originally intended for clean wood products that may be found at a manufacturing facility or similar facility such as a wood furniture or wood cabinet manufacturer. Grinders and shredders for green waste contain other materials not intended for the Rule 219(g)(2) exemption such as leaves, branches, bark covered tree limbs, dirt, roots, etc. In addition, staff understands the brush chipper is used at multiple MWD facilities and usage time may run into the hundreds of hours per year. For these reasons, the request to allow non-production/non-commercial activity was not incorporated under paragraph (g)(2).

Response to comment 7-3:

The intent of the change to paragraph (l)(9) was to address a situation with higher-than-ambient temperature application of pavement striping, which resulted in VOC and PM emissions. However, heating to reduce coating viscosity was not intended to be excluded from the exemption. Staff has therefore amended the language of paragraph (l)(9) to be as follows:

“Portable coating equipment and pavement stripers used exclusively for the application of architectural coatings, and associated internal combustion engines provided such equipment is exempt pursuant to subdivision (a) or paragraph (b)(1), and provided no supplemental heat is added during pavement striping operations.”

The following comments are from Disneyland Resort – Comment Letter #8 – received via email

Morning Bob,

Thank you for the opportunity for commenting the proposed rule language. For R219(m)(9): can I suggest to add a clarification (in red)? My concerns is that our mobile fueling truck carries 2 small fuel tanks, one for gasoline and one for diesel fuel. Each tank holds less than 250 gallons.

“.....In addition, this exemption does not apply to a group of more than one VOC-containing liquid or odorant tank where a single product is stored and the combined storage capacity of all tanks exceeds 950 liters (251 gallons), and where the tanks are mounted on a shared mobile platform and stored at a facility.”

}

8-1

Thank you

Hao Jiang, P.E.
Environmental Affairs
Disneyland Resort
PO Box 3232
TDA 224C
Anaheim, Ca 92802
714-781-4504, hao.jiang@disney.com

Response to comment 8-1:

Staff agrees with the comment. The suggested language has been incorporated.

The following comments are from United Airlines – Comment Letter #9



March 10, 2017

VIA EMAIL

Mr. Tracy A. Goss, P.E.
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765
(909) 396-3106
tgoss@aqmd.gov

**Re: Comments Regarding the South Coast Air Quality Management District's
Proposed Amended Rule 219**

Dear Mr. Goss:

I am writing on behalf of United Airlines, Inc. ("United") to provide the South Coast Air Quality Management District ("the District" or "SCAQMD") with comments on the Proposed Amended Rule ("PAR") 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II. The District has requested feedback on PAR 219 by March 10, 2017.

The current rulemaking schedule provides that the District will set a public hearing on April 7, 2017, in anticipation of a District Board hearing to consider PAR 219 on May 5, 2017. United respectfully reserves the right to supplement these comments as this rulemaking process moves forward, including the submission of additional comments as part of the April 7 public hearing.

I. INTRODUCTION

Rule 219 is an administrative rule that provides exemptions from SCAQMD permitting requirements. According to District staff, the purpose of PAR 219 is to include additional equipment for exemptions, to clarify existing rule language regarding the intent of existing exemptions, and to make editorial corrections to Rule 219. *See* Preliminary District Draft Staff Report at 2-4 and 2-5 (February 2017).

Notably, PAR 219 includes new requirements for portable equipment registered under the California Air Resource Board's ("CARB's") Statewide Portable Equipment Registration Program ("PERP"). In its proposal, the District is seeking to alter the way in which facilities covered by the Regional Clean Air Incentives Market ("RECLAIM") program would account for emissions from PERP-registered equipment. The specific changes in PAR 219 would seem to

United Airlines, Environmental Affairs, 233 S. Wacker Drive, 11th Floor, Chicago, IL 60606

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require affected RECLAIM facilities to use the Monitoring, Recordkeeping and Reporting (“MRR”) protocols in Rules 2011 and 2012 for portable non-road engines with existing PERP registrations.

United is concerned that PAR 219 could have the effect of creating two very different reporting requirements where emissions from the same PERP-registered equipment would be calculated differently under CARB’s statewide regulation and the District’s MRR protocols. PAR 219 is silent on how sources should attempt to implement these changes involving PERP-registered equipment at a RECLAIM facility.

} 9-1

II. COMMENTS

A. Compatibility Between PERP Rule Requirements and PAR 219 Requirements.

A brief summary of the PERP rule is necessary to understand the potential ramifications of PAR 219. PERP regulates portable non-road engines on a statewide level by providing a mechanism for it to obtain a single registration document that will allow it to operate anywhere within the state. Substantively, the PERP rule requires such portable non-road engines to comply with CARB’s Airborne Toxic Control Measure requirements, among others. Simply put, if a non-road engine is portable and otherwise satisfies CARB’s PERP requirement, and it is duly registered under and complies with CARB’s PERP program, then it is exempt from District permitting requirements. There are no additional eligibility requirements for this exemption beyond valid PERP registration.

Within its jurisdiction, the District is responsible for inspection of portable non-road engines registered under PERP. A summary of the District’s responsibilities under PERP is available on its website at <http://www.aqmd.gov/home/permits/equipment-registration/perp>. This summary explains: “PERP allows the freedom to operate portable engines and portable equipment units anywhere in the state without the need to obtain separate permits from each air quality district.” *Id.* The PERP rule provides, in part:

} 9-2

Purpose – These regulations establish a statewide program for the registration and regulation of portable engines and engine-associated equipment (portable engines and equipment units) as defined herein. Portable engines and equipment units registered under the Air Resources Board program may operate throughout the State of California without authorization (except as specified herein) or permits from air quality management or air pollution control districts (districts). These regulations preempt districts from permitting, registering, or regulating portable engines and equipment units, including equipment necessary for the operation of a portable engine (e.g. fuel tanks), registered with the Executive Officer of the Air Resources Board except in the circumstances specified in the regulations.

13 CCR § 2450 (emphasis added).

The District’s provisions related to the PERP program – specifically, the exemption in Rule 219(r) for PERP-registered equipment – exempt all equipment that is regulated by CARB

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under the PERP program from District permitting requirements. These provisions are necessary in order to avoid duplicative regulation of these sources. However, United believes that there may be some issues of compatibility between the statewide PERP requirements and certain new requirements proposed in PAR 219.

9-2
cont

B. The District’s PAR 219 Language Regarding PERP-Registered Equipment.

According to District staff, the purpose of the proposed amendments to the existing Rule 219 exemption for equipment registered with CARB under PERP is to provide “[c]larification of emission calculation procedures related to the Monitoring, Recordkeeping and Reporting (MRR) protocols in Rules 2011 and 2012 [stet].” See Preliminary District Draft Staff Report at 2-5 (February 2017). PAR Rule 219 provides, in relevant part:

The purpose of this rule is to identify equipment, processes, or operations that emit small amounts of air contaminants that shall not require written permits, unless such equipment, process or operation is subject to subdivision (s) – Exceptions. In addition, exemption from written permit requirements in this rule is only applicable if the equipment, process, or operation is in compliance with subdivision (t).

Written permits are not required for:

(r) Registered Equipment and Filing Program

(1) Any portable equipment, including any turbines qualified as military tactical support equipment under Health and Safety Code Section 41754 which is registered in accordance with the Statewide Portable Equipment Registration Program (PERP) adopted pursuant to California Health and Safety Code Section 41750 et seq. PERP registered equipment operated at a RECLAIM Facility shall be classified as Major Source, Large Source or Process Units in accordance with Rule 2011 (c) and (d) for SOx emissions and Rule 2012 (c), (d) and (e) for NOx emissions for purposes of determining the applicable requirements for Monitoring, Reporting and Recordkeeping (MRR). Use of RECLAIM MRR Protocols for Rule 219 equipment as specified in Rule 2011 (Rule 2011 Protocol, Appendix A, Chapter 3, Subsection F) and Rule 2012 (Rule 2012 Protocol, Appendix A, Chapter 4, Subsection F is only allowed if the registered PERP equipment also qualifies for an exemption from permit under a separate provision of this Rule.

9-3

PAR 219(r)(1) (February 2017) (emphasis in original).

As currently drafted, PAR 219 is inconsistent with the requirements of CARB’s PERP program, and the District’s own rules and guidance. In November 2016, and again in December 2016, United wrote to the District seeking clarification of many of the questions and issues identified below. Unfortunately, neither PAR 219 nor the District’s Preliminary Draft Staff Report attempt to address or discuss United’s questions and concerns regarding the effect of PAR 219 on portable non-road engines that are subject to the existing PERP registrations.

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C. Specific Comments on PAR 219.

1. **PAR 219 is inconsistent with the PERP program’s recordkeeping and reporting requirements applicable to airlines.** Under the PERP program, airlines with PERP-registered portable non-road engines are classified as a “Provider of Essential Public Service (PEPS).” Such portable non-road engines are not subject to monthly monitoring and reporting. Recordkeeping and reporting requirements for portable non-road engines and equipment operated by a PEPS are specifically listed in the operating conditions of each Statewide Portable Equipment Registration that CARB issues. The changes proposed in PAR 219 for affected RECLAIM facilities could impose monthly monitoring and reporting requirements on the same PERP-registered portable non-road engines and equipment, in direct conflict with the PERP program requirements. United already monitors and reports portable non-road engine emissions on a quarterly basis, which is also inconsistent with the PERP program. Reporting on a quarterly basis is currently manageable due to the ease of use of the web-based WATERS reporting system, as opposed to a monthly facsimile-based RTU reporting system. As such, monitoring and reporting of emissions from portable non-road engines with existing PERP registrations should continue to follow the quarterly reporting schedule.

9-4

2. **PERP-registered portable non-road engines must meet CARB emission standards, meaning the emissions factors in the protocol for Rule 2012 are unnecessary and should not be required.** The District should clarify that emissions from PERP-registered portable non-road engines at RECLAIM facilities are to be calculated consistently with CARB and EPA emissions testing and certification standards for non-road engines. As currently drafted, PAR 219 could require operators of PERP-registered portable non-road engines to use the emission factors for diesel engines as provided for in Table 3-D of Rule 2012A-3-25. This is inconsistent with CARB and EPA non-road emissions standards and would result in inaccurate quantification of NOx emissions, which seems contrary to the intent of RECLAIM.

9-5

3. **PERP-registered equipment is not listed separately in a Facility Permit, because such equipment is exempt from District permitting.** CARB establishes conditions for PERP-registered portable non-road engines and equipment. (See District’s summary of PERP requirements at <http://www.aqmd.gov/home/permits/equipment-registration/perp>). As currently drafted, PAR 219 would require affected RECLAIM facilities to use the MRR protocols in Rules 2011 and 2012 for portable non-road engines and equipment with existing PERP registrations. The language in PAR 219 does not attempt to reconcile these regulatory requirements with the existing conditions established under the PERP rule. For example, under Rule 2012, emission calculations for Large NOx Sources and Process Units are required to be set forth in the Facility Permit. See Rule 2012(f). For both Large NOx Sources and Process Units, the Facility Permit holder shall: “Accept the emission factor, concentration limit, or equipment-specific or category-specific emission rate, as specified pursuant to subdivision (f) of this Rule and in the Facility Permit, as the sole method for determining mass emissions for all purposes” Rule 2012(d)(2)(C) and (e)(2)(C) (emphasis added). However, Facility Permits issued by the District do not

9-6

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separately list PERP-registered portable non-road engines and equipment. Such portable non-road engines and equipment are already subject to the requirements of the PERP program, and are exempt from District permitting. Additionally, portable non-road engines are certified to CARB emission standards, meaning that an emission factor has already been established through CARB-approved testing by the manufacturer of the non-road engine. Therefore, a separate listing of the portable non-road engine and its associated emissions standard or certified emissions level in a Facility Permit is unnecessary.

9-6
cont

4. Source testing requirements for PERP-registered portable non-road engines are unnecessary and should not be required. The specific changes in PAR 219 would require affected RECLAIM facilities to use the MRR protocols in Rule 2012 for portable non-road engines with existing PERP registrations. Under PAR 219, PERP-registered portable non-road engines that trigger the “Large NOx Source” category, as defined by Rule 2012(d), would be required to be source-tested once every three years. This requirement should not apply to PERP-registered portable non-road engines. Such PERP-registered portable engines are certified to emissions standards established by CARB. Since these engines are already CARB-certified, a separate source test every three years as specified in Rule 2012 is unnecessary.

9-7

5. Installing Continuous Emissions Monitoring Systems (CEMS) or Continuous Process Monitoring Systems (CPMS) for PERP-registered portable non-road engines is unnecessary and should not be required. The specific changes in PAR 219 would require affected RECLAIM facilities to use the MRR protocols in Rule 2012 for portable non-road engines with existing PERP registrations. Under PAR 219, PERP-registered portable non-road engines that trigger the “Large NOx Source” category as defined by Rule 2012(d) would be required to have CEMS or CPMS in the form of a fuel meter. This requirement should not apply to PERP-registered portable engines. CEMS and/or fuel metering technology is overly burdensome and unnecessary considering that these portable non-road engines are certified to CARB emissions standards expressed in units inclusive of time, meaning a simple non-resettable elapsed time hour meter is sufficient to monitor and report NOx emissions.

9-8

6. In light of the District Governing Board’s recent decision to eventually phase-out the RECLAIM program, it seems counterproductive to require affected RECLAIM facilities to use the MRR protocols in Rule 2012 for portable non-road engines with existing PERP registrations. On March 3, 2017, the Governing Board voted to approve an amended 2016 Air Quality Management Plan (“AQMP”) for the District. The AQMP, as approved, requires an orderly sunseting of the RECLAIM program in order to create more regulatory certainty and reduce compliance burdens for smaller facilities. As demonstrated above, the RECLAIM program’s MRR protocols in Rule 2012 are especially ill-suited for monitoring, calculating and reporting emissions from portable non-road engines with existing PERP registrations. The incompatibility between the requirements of the PERP and RECLAIM programs are significant, and necessitate revisions to PAR 219 as currently drafted. Those concerns are further complicated when coupled with the fact that the RECLAIM program is now set to expire.

9-9

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March 10, 2017

III. CONCLUSION

United appreciates your consideration of these comments. If you or your colleagues have questions or require additional information concerning the issues raised in this letter, please feel free to contact Corrie Zupo at (310) 431-3614, corrie.zupo@united.com, or me at (872) 825-8405, robert.schlingman@united.com.

Sincerely,



Robert Schlingman
Director, Environmental Policy and Programs
United Airlines, Inc.

cc: Robert Gottschalk, SCAQMD (rgottschalk@aqmd.gov)
John Yee, SCAQMD (jyee@aqmd.gov)
Bob Sanford, SCAQMD (bsanford@aqmd.gov)
Christina Landgraf, United Airlines, WHQLD
Rohini Sengupta, United Airlines, WHQEN
Corrie Zupo, United Airlines, LAXEN

Response to comment 9-1:

Staff thanks the commenter for your comments. The proposed amendment to PAR 219 paragraph (r)(3) is intended to clarify and reiterate requirements of Rule 2011(e)(8) and Rule 2012 (g)(8) (see excerpt below). These are applicable to PERP equipment which is operated at a RECLAIM facility but not listed on the facility permit. It does not impose a new reporting requirement.

Rule 2011 (e)(8) and Rule 2012 (g)(8) state:

“A Facility Permit holder shall at all times comply with all applicable requirements specified in this rule and Appendix A for monitoring, reporting and recordkeeping of operations of RECLAIM NO_x sources that are not included in the Facility Permit so as to determine and report to the District Central Station the quarterly emissions from these sources by the end of the quarterly reconciliation period as specified under Rule 2004(b). These sources may include, but are not limited to, rental equipment, equipment operated by contractors, and equipment operated under a temporary permit or without a District permit.”

Response to comment 9-2:

The proposal under PAR 219 (r)(3) does not alter the exemption from the requirement to obtain an SCAQMD-issued permit for equipment operating within SCAQMD’s jurisdiction with a valid PERP registration. As stated in response to comment 9-1 above, the proposed amendment merely clarifies and reiterates the existing requirements applicable to operations within a RECLAIM facility and does not impose any new or additional requirements. Therefore, the proposal does not create any compatibility issues as explained further in responses below.

Response to comment 9-3:

PAR 219 is not inconsistent with the requirements of CARB's PERP program or with SCAQMD's rules and guidance specific to PERP equipment. The comment fails to identify in which ways the commenter believes PAR 219 is inconsistent with the PERP program or SCAQMD rules and guidance. Once again, the proposed amendment to PAR 219 paragraph (r)(3) is intended to clarify and reiterate requirements of Rule 2011(e)(8) and Rule 2012 (g)(8).

Response to comment 9-4:

Pursuant to Rule 2011 (e)(8) or Rule 2012 (g)(8), emissions from equipment not included in the Facility Permit, such as PERP equipment, are to be reported quarterly. The comment expresses concern for additional monthly reporting requirements, but United Airlines, Inc. has been reporting emissions from PERP equipment quarterly. It may continue to use the District web based WATERS reporting system to comply with the said RECLAIM provisions. United Airlines, Inc.'s operation at the Los Angeles International Airport is subject to RECLAIM and Regulation XXX – Title V Permits, which specify monitoring, reporting and recordkeeping (MRR) requirements for which Rule 219 does not provide any exemption. PERP equipment operated within a RECLAIM facility still must comply with the MRR requirements in accordance with applicable provisions under RECLAIM and Title V Permits.

Response to comment 9-5:

Determination of emissions as Large Source and Process Unit PERP equipment may be based on concentration limit, which in this case would be the CARB certified emission rates or Tier emission standard limit (g/bhp-hr) stated on PERP registrations. The reportable quarterly emissions will be based upon the emission standard limit, PERP nameplate bhp, and engine hour meter or fuel meter. The use of default emission factors are required only if a PERP registration lacks a specific emission rate or a Tier emission standard.

Response to comment 9-6:

The proposed language does not require the PERP equipment to be individually listed in the Facility Permit. See response to 9-5 for use of PERP emission standard limits for emission determination.

Response to comment 9-7:

PERP equipment may only operate at a stationary source for no more than one year. RECLAIM provisions allow the use of simple calculations for reportable emissions for the first year of operations. Source testing is required every three or five year of operation, dependent of the size of the equipment. Operation of PERP equipment at a stationary source beyond one year is in violation of the PERP conditions and invalidates the provision of Rule 219 exempting that equipment from the requirement to obtain an SCAQMD-issued permit. The subject equipment would then be required to obtain an SCAQMD-issued permit, which will include all applicable RECLAIM MRR requirements, such as testing for continued compliance with concentration limits for Large Sources and Process Units.

Response to comment 9-8:

For PERP equipment which meets the major source definition, RECLAIM allows the facility to report using the emission limit (g/bhp-hr) to determine emissions during the first year of operation. However, operation of PERP equipment at a stationary source beyond one year is in violation of the PERP conditions and invalidates the provision of Rule 219 exempting that equipment from the requirement to obtain an SCAQMD-issued permit. The subject equipment would then be subject to obtain an SCAQMD-issued permit, which will include all applicable RECLAIM MRR requirements, such as CEMS requirements for Major Sources.

Response to comment 9-9:

Specific provisions on how to transition from RECLAIM will be discussed in the future. Current requirements are applicable in the meantime.

Response to comment 9-1:

~~Staff thanks the commenter for your comments. The proposed amendment to PAR 219 paragraph (r)(3) is intended to clarify and re-iterate requirements of Rule 2011(e)(8) and Rule 2012 (g)(8) (see excerpt below). These are applicable to PERP equipment which is operated at a RECLAIM facility but not listed on the permit. It does not impose a new reporting requirement.~~

~~Rule 2011 (e)(8) and Rule 2012 (g)(8) state:~~

~~“A Facility Permit holder shall at all times comply with all applicable requirements specified in this rule and Appendix A for monitoring, reporting and recordkeeping of operations of RECLAIM NO_x sources that are not included in the Facility Permit so as to determine and report to the District Central Station the quarterly emissions from these sources by the end of the quarterly reconciliation period as specified under Rule 2004(b). These sources may include, but are not limited to, rental equipment, equipment operated by contractors, and equipment operated under a temporary permit or without a District permit.”~~

Response to comment 9-2:

~~The proposal under PAR 219 (r)(3) does not alter the exemption from SCAQMD issued permit for equipment operating within SCAQMD’s jurisdiction with a valid PERP registration. As stated in response to comment 9-1 above, the proposed amendment merely clarify and re-iterate the existing requirements applicable to operations within a RECLAIM facility and does not impose any new and additional requirement. Therefore, the proposal does not create any compatibility issues as explained further in responses below.~~

Response to comment 9-3:

~~Staff does not believe PAR 219 is inconsistent with the requirements of CARB’s PERP program, or with SCAQMDs rules and guidance specific to PERP equipment. Once again, the proposed amendment to PAR 219 paragraph (r)(3) is intended to clarify and re-iterate requirements of Rule 2011(e)(8) and Rule 2012 (g)(8).~~

Response to comment 9-4:

~~Pursuant to Rule 2011 (e)(8) or Rule 2012 (g)(8), emissions from equipment not included in the Facility Permit, such as PERP, are to be reported quarterly. As stated in the comment United Airlines, Inc. has been reporting emissions from PERP equipment quarterly. It may continue to use the District web-based WATERS reporting system to comply with the said RECLAIM provisions. United Airlines, Inc.’s operation at the Los Angeles International Airport is subject to RECLAIM and Regulation XXX—Title V Permits, which specify monitoring, reporting and recordkeeping (MRR) requirements that Rule 219 does not provide any exemption for. PERP equipment when operated within a RECLAIM facility still needs to comply with the MRR requirements in accordance with applicable provisions under RECLAIM and Title V Permits.~~

Response to comment 9-5:

~~Determination of emissions as Large Source and Process Unit PERP equipment may be based on concentration limit which in this case would be the CARB certified emission rates or Tier emission standard limit (g/bhp-hr) stated on PERP permits. The reportable quarterly emissions will be based upon the emission standard limit, PERP nameplate bhp and engine hour meter or fuel meter. The use~~

~~of default emission factors are required only if a PERP permit lacks specific emission rate or Tier emission standard.~~

Response to comment 9-6:

~~The proposed language does not require the PERP equipment to be individually listed in the Facility Permit. See response to 9-5 for use of PERP emission standard limits for emission determination.~~

Response to comment 9-7:

~~PERP equipment may only operate at a stationary source for no more than one year. RECLAIM provisions allow the use of simple calculations for reportable emissions for the first year of operations. Source testing are required every three or five year of operation, dependent of the size of the equipment. Operation of a PERP equipment at a stationary source beyond one year is in violation of the PERP conditions and invalidates the Rule 219 exemption from written permit provision. The subject equipment would then be subject to SCAQMD issued permits which will include all applicable RECLAIM MRR requirements, such as testing for continued compliance with concentration limits for Large Sources and Process Units.~~

Response to comment 9-8:

~~For PERP equipment which meets the major source definition, RECLAIM allows the facility to report using emission limit (g/bhp-hr) to determine emissions during the first year of operation. However, operation of a PERP equipment at a stationary source beyond one year is in violation of the PERP conditions and invalidates the Rule 219 written permit provision. The subject equipment would then be subject to SCAQMD issued permits which will include all applicable RECLAIM MRR requirements, such as CEMS requirements for Major Sources.~~

Response to comment 9-9:

~~Specific provision on how to transition from RECLAIM will be discussed in the future. Current requirements are applicable in the meantime.~~

The following comments are from SoCalGas – Comment Letter #10



Noel Muyco
 Environmental Affairs Program Manager
 External Affairs & Environmental Strategy
 Southern California Gas Company

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March 10, 2017

Mr. Tracy Goss
 Planning, Rule Development, and Area Sources
 21865 Copley Drive
 Diamond Bar, CA 91765
 BGottschalk@aqmd.gov

Submitted via Email

RE: Comments on Proposed Rule Amendments 219/222

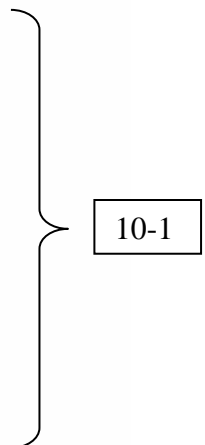
Dear ~~Mr. Goss.~~ ^{Tracy}

Southern California Gas Company (SoCalGas) appreciates the opportunity to provide comments on the South Coast Air Quality Management District’s (SCAQMD) Proposed Amendment Rule 219 – Equipment Not Requiring A Written Permit Pursuant To Regulation II and Rule 222 – Filing Requirements For Specific Emissions Sources Not Requiring A Written Permit Pursuant To Regulation II. The following comments are respectfully submitted for your consideration.

PERP Equipment

PAR219(r)(1) – In an attempt to broaden applicability to address portable equipment registered under PERP, the proposed language suggests additional monitoring, recordkeeping, and reporting requirements for equipment that has historically not been subject to the RECLAIM requirements that Major, Large, and Process Units are subject to. We request clarification regarding the intent of the amendments to this section. Was the intent to create additional requirements related to rental PERP equipment or to merely exclude PERP equipment greater than 50 bhp from using the emission calculation methodologies specified in Rule 2011 (Rule 2011 Protocol, Appendix A, Chapter 3, Subsection F) and Rule 2012 (Rule 2012 Protocol, Appendix A, Chapter 4, Subsection F)? SoCalGas recommends the following edit:

“PERP registered equipment operated at a RECLAIM Facility shall be classified as Major Source, Large Source or Process Units in accordance with Rule 2011 (c) and (d) for SOx emissions and Rule 2012 (c), (d) and (e) for NOx emissions for purposes of determining the applicable requirements for Reporting SOx and NOx emissions. Use of



Page 2

RECLAIM Emissions Reporting Protocols for Rule 219 equipment as specified in Rule 2011 (Rule 2011 Protocol, Appendix A, Chapter 3, Subsection F) and Rule 2012 (Rule 2012 Protocol, Appendix A, Chapter 4, Subsection F) is only allowed if the registered PERP equipment also qualifies for an exemption from permit under a separate provision of this Rule.”

10-1
cont

Furthermore, the specified emission calculation methodologies in PAR219 as currently written may not be feasible for calculating SOx and NOx emissions from rental PERP equipment. For instance, Rule 2012 Protocol, Appendix A, Chapter 4 for Process Units indicates in Section A.1 that: “The category-specific starting emission factor found in Table 1 of Rule 2002 - Allocations for Oxides of Nitrogen (NOx) and Sulfur (SOx) shall be used for quantifying quarterly mass emissions for a NOx process unit.” Reviewing Table 1 of Rule 2002 indicates that for ICEs, for example, that the starting and ending emission factors are: “Equivalent to permitted BACT limit.” Rental PERP equipment does not always meet NOx and SOx emission limits that are equivalent to permitted BACT since the units are not permitted with SCAQMD. The District should provide further guidance for calculating emissions for PERP equipment operated at a RECLAIM Facility.

10-2

Natural Gas and Crude Oil Production Equipment

PAR 219(n) – Historically Rule 219(n) applies only to natural gas and crude oil production equipment and with Southern California Gas’ Storage Fields classified under the Standard Industrial Code (SIC 4922) as Natural Gas Transmissions and Storage, proposed changes to Rules 219/222 would NOT be applicable to Southern California Gas Company. However, SoCalGas understands that the District will be implementing the California Air Resources Board’s (CARB) Proposed Regulation Order for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities in PAR 222, so that changes to PAR 219 subdivision (n) to address sources that will be subject to the new CARB Regulation are necessary. We respectfully request that a category be added to Rules 219/222 to reflect the equipment subject to the new CARB Regulation expected to be finalized around April/May. You might consider incorporating a Rule 219/222 category in the following manner:

10-3

“Equipment subject to California Air Resources Board Regulation Order for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities.”

This language will give the District the needed coverage from CARB, as well as avoid conflating equipment at SoCalGas facilities that does not fall into the category of natural gas and crude oil production equipment with equipment at other facilities that does.

Several of SoCalGas’ facilities in SCAQMD are subject to Title V Regulations and our Title V Facility Permits already list and track Rule 219 equipment at each facility. As such, we believe the registration requirements in PAR 222 are redundant for Title V facilities. Therefore, SoCalGas respectfully requests that PAR 219 exclude Title V facilities from PAR 222 registration requirements.

10-4

Page 3

Thank you again for the opportunity to submit comments. Please feel free to reach out to me at nmuyco@semprautilities.com or (213) 215-3397 if you have any questions regarding our comments.

Respectfully submitted,



Noel Muyco

cc: Bob Gottschalk
David Ono

Response to comment 10-1:

Staff thanks the commenter for your comments. The proposed amendment to PAR 219 paragraph (r)(3) is intended to clarify and re-iterate requirements of Rule 2011(e)(8) and Rule 2012 (g)(8) (see excerpt below). These are applicable to PERP equipment which is operated at a RECLAIM facility but not listed on the facility permit. It does not impose a new reporting requirement.

Rule 2011 (e)(8) and Rule 2012 (g)(8) state:

“A Facility Permit holder shall at all times comply with all applicable requirements specified in this rule and Appendix A for monitoring, reporting and recordkeeping of operations of RECLAIM NO_x sources that are not included in the Facility Permit so as to determine and report to the District Central Station the quarterly emissions from these sources by the end of the quarterly reconciliation period as specified under Rule 2004(b). These sources may include, but are not limited to, rental equipment, equipment operated by contractors, and equipment operated under a temporary permit or without a District permit.”

Response to comment 10-2:

Determination of emissions as Large Source and Process Unit PERP equipment may be based on the concentration limit which in this case would be the CARB certified emission rate or Tier emission standard limit (g/bhp-hr) stated on PERP ~~permits~~registrations. The reportable quarterly emissions will be based upon the emission standard limit, PERP nameplate bhp₂ and engine hour meter or fuel meter. For PERP equipment which meet the major source definition, RECLAIM allows the facility to report using the emission limit (g/bhp-hr) to determine emissions during the first year of operation. All PERP equipment is only allowed to operate at a stationary facility for period no longer than one year. Operation of a PERP equipment at a stationary source beyond one year is in violation of the PERP conditions and invalidates the provisions of Rule 219 exempting that equipment ~~exemption~~ from the requirement to obtain an SCAQMD-issued permit ~~written permit provision~~.

Response to comment 10-3:

Under the CARB Proposed Regulation Order for Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities, SCAQMD compliance personnel will inspect equipment addressed under the proposed regulation. As such, CARB requires that all equipment addressed by the draft regulation be either permitted or registered by the local air district, in order for CARB to delegate authority to the

local air district. Staff believes that nearly all of this equipment is already permitted or registered under Rule 222. However, there may be limited numbers of equipment that have not been subject to either permit or registration. These include equipment exclusively handling natural gas. Therefore, the commenter's suggestion to incorporate a new exemption category into Rule 222 limiting authority of the SCAQMD to register this equipment cannot be accommodated.

Response to comment 10-4:

Although Title V permits list Rule 219-exempt equipment, in many cases they do not list equipment in sufficient detail to identify specific equipment. For example, Title V permits for gas storage facilities may only list Rule 219-exempt oil and gas well heads and pumps as a single line item on the permit, irrespective of the actual number of well heads and pumps. Under the Rule 222 registration program, these well heads and pumps are currently registered in groups of four, and under the staff proposal, they will be individually identified by API numbers, which allows further identification by location within an oil field. This detail is necessary for SCAQMD compliance activities

The following comments are from Integra Environmental Consulting, Inc. – Comment Letter #11 – received via email

Hi Bob,

Hope you are doing well.

The proposed language seems too general and may have unintended consequences. For example, if a permitted process included a non-permitted small ICE or small boiler, based on the proposed language, that piece of equipment needs to be permitted, which I am pretty sure was not the intent of this proposal.

I would suggest to clarify the language to avoid any ambiguities or confusions.

Best regards,

Zorik Pirveysian
Integra Environmental Consulting, Inc.
649 Tufts Ave,
Burbank, CA 91504
Office: (818) 843-3107
Cell: (818) 441-6496

} 11-1

Response to comment 11-1:

Staff appreciates your concerns regarding the exception under paragraph (s)(5) potentially being too general and having unintended consequences. See response to comment 3-2.

The following comments are from California Steel Industries, Inc. – Comment Letter #12 – received via email



CALIFORNIA STEEL INDUSTRIES, INC.

14000 San Bernardino Avenue, P.O. Box 5080
Fontana, California 92335
Telex 201239 (909) 350-6300

March 10, 2017

Mr. Tracy A. Goss, P.E.
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

ELECTRONICALLY DELIVERED

Dear Mr. Goss:

Re: AMENDMENTS TO PROPOSED RULE 219 – EQUIPMENT NOT
REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II

California Steel Industries, Inc. respectfully submits the following comments to the draft Amendments to Rule 219 released February 17, 2017. These comments are a follow-up to public workshop regarding the amendment on March 2, 2017. Comments are specific to section (e)(8):

“Welding equipment, oxygen gaseous fuel-cutting equipment, hand-held plasma-arc cutting equipment, hand-held laser cutting equipment, laser etching or engraving equipment, and associated air pollution control equipment. This exemption does not include any equipment that is used to cut stainless steel, or alloys containing 0.1% by weight or more of chromium, nickel, cadmium or lead laser cutting, etching and engraving equipment that are rated more than 400 watts.”

Using 0.1% by weight for Cr, Ni, Cd, and Pb as reported in product SDSs for steel materials is inappropriate. SDSs are not reliable to provide actual concentrations and rather provide potential maximum amounts of these elements. If any detection is found, a de minimus concentration or more will be listed even if below 0.1% by weight. All carbon steels in the AISI/SAE 1000 series grades, by definition, do not have the concerned elements added as part of the production process and are only present as trace or residual amounts. As such, we recommend that these carbon steel grades that do not have these elements added as part of the alloying process be exempt as it would accomplish the original intent of determining whether the elements were intentionally added at the mill rather than just being present as trace elements.



12-1

Hand-held plasma-arc cutting equipment is specifically called out as exempt. Some plasma arc-cutting tasks are required to be done with the precision of machine mounted torches. Machine mounted torches are often functionally the same device with the same power supply as hand-held devices with modified torches to allow for mounting. Understanding that the purpose of calling out hand-held equipment is that it “is not typically operated in a production environment,” we propose allowing all cutting associated with construction, maintenance, and quality assurance and quality control



12-2

purposes including rework, sampling, and testing to obtain data to meet quality specifications without limitation regardless of hand-held status.



12-2
cont.

We propose the following language:

“Welding equipment, oxygen gaseous fuel-cutting equipment, ~~hand-held~~ plasma-arc cutting equipment, ~~hand-held~~ laser cutting equipment, laser etching or engraving equipment, and associated air pollution control equipment. This exemption does not include any equipment that is used to cut stainless steel, or non-carbon steel alloys containing 0.1% ~~by weight or more~~ of chromium, nickel, cadmium or lead laser cutting, etching and engraving equipment that are rated more than 400 watts. Any equipment that is used to cut SAE 1000 series grades of carbon steel is exempt. All cutting associated with construction, maintenance, and quality assurance and quality control purposes including rework, sampling, and testing to obtain data to meet quality specifications are exempt without limitation.”



12-3

Please call me at (909) 350-5991 if you have any questions or comments regarding this submittal.

Very truly yours,

ENVIRONMENTAL SERVICES

Ramsey Haddad
Senior Environmental Engineer

RH/blp

Enclosure

cc: Kathleen Brundage, CSI

S90152

Response to comment 12-1:

Staff understands that suppliers of Safety Data Sheets (SDS) may include the maximum concentration or a range of concentrations for toxics within alloys, whether deliberately alloyed or present as impurities, in order to be conservative. For this reason, demonstration of the de minimis level of toxic concentrations may be demonstrated either by Safety Data Sheet (SDS), by a metallurgical assay or other quantitative measure of in the steel. Regardless of the method used to determine concentrations of chromium, cadmium, nickel and/or lead, records must be kept by the facility operator in order to demonstrate the alloy does not contain 0.1% by weight or more of chromium, cadmium, nickel or lead to SCAQMD compliance personnel, if exemption for the operation is claimed under paragraph (e)(8). It is not possible for SCAQMD staff to determine whether reportable levels of toxic metals were added at the mill for alloying purposes or are present as impurities in alloys, mild steels, and carbon steels. Therefore, the proposed language is intended to specify the de minimis level to align with readily accessible reporting concentration values to improve enforceability and improve clarity. Staff has SDS sheets for carbon steels that report concentrations of higher than 0.1% for chromium and nickel. Therefore, the request to exempt carbon steels cannot be accommodated.

Response to comment 12-2:

Staff agrees that the intent of allowing hand-held equipment under this exemption is that it is not typically operated in a production environment. However, the commenter's suggestion to allow "all cutting that is associated with construction, maintenance, quality assurance and quality control purposes" may in fact allow production operations to occur under this exemption; especially for construction and quality assurance and quality control operations, since these operations may occur on a daily basis. Staff believes that maintenance and repair operations are occasional, non-production activities and pose limited risk of exposure to toxics emissions from cutting processes. Therefore, staff proposes amended language for this exemption, as follows:

"This exemption does not include cutting equipment described in this paragraph that is used to cut stainless steel, or alloys containing 0.1% by weight or more of chromium, nickel, cadmium or lead, unless the equipment is used exclusively for maintenance or repair operations."

Response to comment 12-3:

Staff thanks you for the suggested language. Due to the reasons expressed in responses to comments 12-1 and 12-2, staff proposes the following language for paragraph (e)(8):

"Welding equipment, oxygen gaseous fuel-cutting equipment, hand-held plasma-arc cutting equipment, hand-held laser cutting equipment, laser etching or engraving equipment, and associated air pollution control equipment. This exemption does not include cutting equipment described in this paragraph that is used to cut stainless steel, or alloys containing 0.1% by weight or more of chromium, nickel, cadmium or lead, unless the equipment is used exclusively for maintenance or repair operations. In addition this exemption does not include, laser cutting, etching and engraving equipment that are rated more than 400 watts, and control equipment venting such equipment."

The following comments are from Radtech – Comment Letter #13 – received via email



March 10, 2017

Mr. Robert Gottschalk
 South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, California 91765

Re: Public comments to Proposed Amended Rule 219

Dear Mr. Gottschalk:

RadTech is pleased to comment on the proposed amendments to Rule 219. We have participated in the public process and submitted the additional information requested about market sectors. In the past, various board members have expressed support for an exemption for UV/EB/LED as a means to provide incentives to companies who reduce their emissions, in the form of reduced permitting requirements for supercompliant materials. I recently came across minutes of a Stationary Source Committee meeting in 2006 wherein the late Supervisor Roy Wilson “voiced encouragement” for RadTech’s exemption request and directed staff to work with our industry to address our issues.

13-1

We echo the directives provided to staff by the Stationary Source Committee in 2014. Specifically, Councilwoman Judy Mitchell stated:

“I have long been a fan of the UV/EB technology as most of you know and I would maybe go to, what some of you may call, to the extreme point on this, I would give them the blanket exemption that they had in 2007. This is a very clean technology. I’ve seen it demonstrated and in a basin like ours that is in non-attainment, I think we need to strongly incentivize this kind of clean technology and encourage it in our area. I am very much in favor of incentivizing this and keeping in California the people that are part of this industry. It is an application that I have seen on labeling canned beverages, bottled beverages, it’s applied to floors and I’ve seen the demonstration of the floor application where your coating on the floor is done immediately, you don’t have to wait for it to dry. It really is very innovative and clean technology. I think we can’t do enough here to incentivize and keep it here in California and we have a lot of manufacturers and associated manufacturers with that technology here in our basin and I think we

13-2

need to work toward keeping them here and giving them an incentive to stay here...”

We support Councilwoman Mitchell’s proposal to restore the rule language prior to the 2007 amendments. Her comments were unanimously supported by all present members of the committee. We believe the following rule language (as it appeared in Section (h)(1)(B) of the July 7, 2007 proposed rule) would be in line with Councilwoman Mitchell’s proposal:

UV/EB/LED materials containing fifty (50) grams of VOC per liter of material, and using exclusively cleanup solvents containing twenty five (25) grams of VOC per liter or less.

In order to work collaboratively towards consensus and accommodate staff’s concern that the cleanup solvent limit of 50 grams per liter (previously proposed by RadTech) may be inconsistent with current requirements under Rule 1171 –Solvent Cleaning—we can agree to lower the VOC limit for cleanup solvents to 25 grams per liter.

We continue to request the inclusion of the above language in Section (h) Printing and Reproduction Equipment and Section (l) Coating and Adhesive Process/Equipment. Attached please find a transcript of the comments made by the Stationary Source Committee, which were published in our magazine, for quick reference. Our members have been greatly encouraged by the supportive comments of district board members.

Please let me know of any additional information you may need.

Sincerely,

Rita M. Loof
Director, Environmental Affairs

Cc: Wayne Nastri

13-2
cont.

13-3

13-4

Response to comment 13-1:

Staff thanks the commenter for participating in the public rule development process and for the historical perspective from past rule development efforts on Rule 219.

Response to comment 13-2:

Notwithstanding the comments made by Committee members in 2007 and 2013, staff believes the members of the Stationary Source Committee (SSC) gave clear guidance at the SSC meeting on March 17, 2017. That is, any proposal with regard to VOC content in UV/EB/LED materials should be technology-neutral and should not favor any particular industry or technology.

Response to comment 13-3:

Staff thanks the commenter for the suggested language. Given the guidance from SSC members discussed in the response to comment 13-2, the staff proposal for all low-VOC emitting technologies allows an exemption from written permit for any technology that contains fifty (50) grams or less of VOC per liter of material and provided that all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar

year, and provided that either a filing pursuant to Rule 222 is submitted to the Executive Officer or records kept pursuant to Rule 109 are submitted to the Executive Officer. Under the staff proposal, existing facilities that are currently registered may opt out of registration if these facilities instead choose to submit Rule 109 records to demonstrate they are exclusively using compliant materials and cleanup solvents, and their mass VOC emissions do not exceed one ton per calendar year.

Response to comment 13-4:

The following language is proposed for paragraphs (h)(1), (l)(6) and (l)(11), consistent with direction provided to staff at the most recent Stationary Source Committee meeting (March 17, 2017):

(h)(1)(E): “all inks, coatings and adhesives, fountain solutions, and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either:

(i) a filing pursuant to Rule 222 is submitted to the Executive Officer; or

(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is records are submitted to the Executive Officer for the preceding calendar year, in a format approved by the Executive Officer, to demonstrate compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit.”

(l)(6)(F): “all coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either:

(i) a filing pursuant to Rule 222 is submitted to the Executive Officer; or

(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is records are submitted to the Executive Officer for the preceding calendar year, in a format approved by the Executive Officer, to demonstrate compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit.”

(l)(11)(F) “all coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either:

(i) a filing pursuant to Rule 222 is submitted to the Executive Officer; or

(ii) beginning March 1, 2018 and every March 1 thereafter, an annual low-VOC verification is records are submitted to the Executive Officer for the

preceding calendar year, in a format approved by the Executive Officer, to demonstrate compliance with material and cleanup solvent VOC concentration limits and the annual VOC emission limit.”

~~(h)(1)(D): “all inks, coatings and adhesives, fountain solutions, and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either a filing pursuant to Rule 222 is submitted to the Executive Officer or records are submitted to the Executive Officer in accordance with paragraph (u)(8).”~~

~~(l)(6)(E): “all coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either a filing pursuant to Rule 222 is submitted to the Executive Officer or records are submitted to the Executive Officer in accordance with paragraph (u)(8).”~~

~~(l)(11)(E) “all coatings, adhesives, polyester resin and gel coat type materials and associated VOC containing solvents (excluding cleanup solvents) contain fifty (50) grams or less of VOC per liter of material and all cleanup solvents contain twenty five (25) grams or less of VOC per liter of material, and the total quantity of VOC emissions do not exceed one ton per calendar year, and provided that either a filing pursuant to Rule 222 is submitted to the Executive Officer or records are submitted to the Executive Officer in accordance with paragraph (u)(8).”~~

The following comment letters were received after the requested submittal date for comments. Staff provides a response to these comments to the extent time allowed.

The following comments are from Small Business Alliance – Comment Letter #14



March 11, 2017

Wayne
 Mr. Wayne Nastri, Executive Officer
 South Coast Air Quality Management District
 21865 Copley Drive
 Diamond Bar, CA 91765

COMMENTS: PROPOSED RULE 222 – FILING REQUIREMENTS FOR SPECIFIC EMISSION SOURCES NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II

Dear Mr. Nastri:

The California Small Business Alliance (Alliance) is a coalition of trade associations representing approximately 14,000 small businesses with approximately 750,000 employees who work in the state's manufacturing, construction, oil and natural gas, and service sectors. These associations created the Alliance to advocate on their behalf before all branches of government, including environmental regulatory agencies.

Our purpose for writing is to comment on the South Coast Air Quality Management District's (District) Proposed Amended Rules (PAR) 219 (*Equipment Not Requiring A Written Permit Pursuant To Regulation II*), and 222 (*Filing Requirements for Specific Emission Sources Not Requiring A Written Permit Pursuant To Regulation II*). While we understand that the District is undertaking these amendments to expand the list of equipment covered by these rules, and thereby simplify and streamline the administration of the permit system, our comments are focused specifically on PAR 222.

District staff has willfully ignored their policy on public participation in the rulemaking process.

For the past five-and-a-half (5-1/2) years, Alliance representatives, representatives of other industry organizations, consultants, and individual business owner/operators have repeatedly petitioned the District staff to seriously consider reassigning low-emitting (**less than one (1) pound per day of NOx emissions**) heated paint spray booths, which are presently controlled by Rule 1147 (*NOx Reductions from Miscellaneous Sources*), and place them under the control of Rule 222. It is a fact that the Alliance submitted formal written comments on this subject, on August 3, 2012, at the invitation of the District staff. To date, we have yet to receive a formal reply. What we have received in response to our repeated requests in working groups, public consultation meetings, and public workshops, over the past 5-1/2 years, are casual references from various staff members that they are either considering the matter, or discussing the matter with their "bosses." It is also a matter of fact that when Rule 222 was amended in 2013, that the Alliance offered public testimony at the adoption hearing, whereupon the staff assured the Governing Board that they were continuing to explore transferring other items of equipment into

14-1

273 North Spruce Drive • Anaheim, CA 92805

Telephone: (714) 778-0763 • Web: www.calsmallbusinessalliance.org

Rule 222. To be fair, it appears that the staff is proposing to transfer some low-emitting equipment from other rules into this latest proposed amendment, but again, no mention has thus far been made of accommodating low-emitting heated paint spray booths, most of which are owned and operated by overburdened small businesses.

We would like to point out that by transferring these low-emitting heated paint spray booths into Rule 222, the District would continue to receive regular reports of NOx emissions. But, small businesses would be relieved of the cost of annual permitting. It is also both timely and appropriate to point out that the District could greatly relieve itself of a considerable number of backlogged permits. It is also appropriate to mention that there is some additional precedent for exempting low-emitting equipment. **When the District wrote, and adopted Rule 1153.1 (*Emissions of Oxides of Nitrogen from Commercial Food Ovens*), in 2014, they had the wisdom to exempt units with daily NOx emissions of 1 pound per day or less, if sufficiently documented.**

The District’s policy about public comment, input of any kind, and participation in the rulemaking process, is very clear, in our reading of the agency’s website. In one example, it reads:

“The South Coast AQMD issues many public notices as part of its rulemaking, permitting, and other regulatory processes. You can access those notices here and find out how to provide comments. Public participation in regulatory processes is very important and all comments received are addressed.” Sadly, we couldn’t find any specific time limit being placed on the staff to formally respond to such comments.

In another example, it reads:

“Generally, the rule-making process incorporates extensive information gathering and research into available technologies, coordination with industry groups, and analysis of the economic impact of each proposed rule or rule amendment. SCAQMD provides an opportunity for public input on every proposed rule. At public workshops and consultations, the public can voice suggestions and concerns about the impact of a proposed rule. A final public hearing is held before the SCAQMD Governing Board before the Board votes on the proposed or amended rule.”

General Comments

Since Rule 1147 was first adopted in 2008, the rule has adversely impacted hundreds of small business owners. Notwithstanding staff’s attempt to provide regulatory relief to some facilities, when the rule was amended in 2011, hundreds of small business owners are still unnecessarily burdened by technology deficiencies in the low NOx burners that are prescribed in the rule, as well as the deficiencies in the cost-effectiveness methodology, and assumptions, that were used to justify the rule amendment.

14-1
cont.

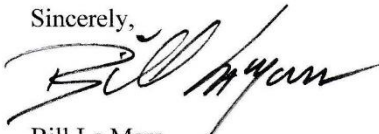
Notwithstanding staff’s assertion that Rule 1147 provides relief to the facilities it regulates, the rule has adversely impacted hundreds of small business owners since it was first adopted in 2008.

Because many small business owners still find the technical basis behind Rule 1147 grossly deficient, unreasonably demanding and in many instances impossible to comply with, we have been urged by our members to ask the District staff to earnestly consider including low-emitting heated paint spray booths in this next amendment of Rule 222.

We hope that you will accept our comments even though they are submitted two (2) days after the announced closing period. Most likely, we will offer public comment to the Governing Board for consideration when the rule is presented to them in May.

Please contact me with any questions at (714) 778-0763 or at: BillLaMarr@msn.com.

Sincerely,



Bill La Marr
Executive Director

14-1
cont.

cc: Tracy Goss, Planning & Rules Manager, Philip Fine, Ph.D., Deputy Executive Officer,
Planning, Rule Development & Area Sources

Response to comment 14-1

Heaters, dryers and ovens are integral to many spray booths – they are not separate from the spray booth. Permitting of the entire spray booth, including combustion equipment is necessary in order for permitting staff to make a determination regarding the complete emissions profile from spray booths, for VOC, PM and potentially toxics emissions from the coatings sprayed, as well as NOx from any combustion equipment. In addition, staff evaluates spray booths for potential nuisance impacts under Rule 402. The Technology Assessment conducted by staff under Rule 1147, and verified by an independent third party, did not establish a definitive level at which all heaters, dryers and ovens used on either printing presses or spray booths will be less than 1 lb/day of NOx; rather, it depends on the heat input, operating schedule and age of the heater, dryer or oven. Also, the current proposal for a planned upcoming amendment to Rule 1147 does not require small, low emitting units to retrofit with a compliant unit; it only requires these units to meet the appropriate Rule 1147 emission limit when they are subject to a combustion modification that changes the heat rating or are replaced or rebuilt.

For the reasons stated above, staff did not incorporate these comments into the proposal for PARs 219 and 222.

The following comments are from Beta Offshore & DCOR – Comment Letter #15



March 8, 2017

Mr. Tracy A. Goss, P.E.
Planning, Rule Development and Area Sources
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

RE: Proposed Amended Rule 219
PERP Engines in the OCS

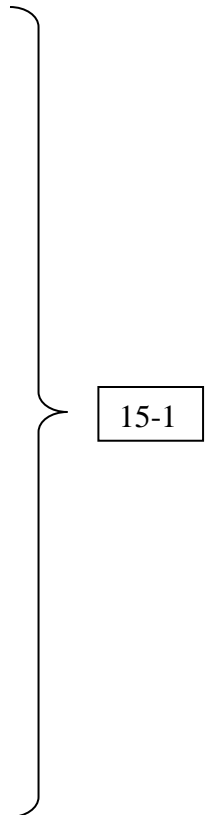
Dear Mr. Goss:

Further to (1) Beta Offshore’s comment letter of similar subject addressed to Mr. Robert Gottschalk dated August 31, 2016, (2) a telephone conference with Mr. Gottschalk and various other District Staff on December 6, 2016, and (3) the District’s response to Beta Offshore’s comment letter included in the District’s Preliminary Draft Staff Report for Proposed Amended Rules 219 and 222 dated February 2017, Beta Offshore and DCOR, LLC wish to provide the South Coast Air Quality Management District (SCAQMD or District) with additional comments and information for the purpose of developing a regulatory process that will readily allow PERP engines to be operated in the Outer Continental Shelf (OCS) in a manner consistent with similar onshore activities.

DESCRIPTION OF OFFSHORE ACTIVITIES USING PERP

On a non-routine basis, OCS operators require the use of equipment to perform various maintenance and construction activities. Contractors to OCS operators use diesel-fired engines to power construction and maintenance equipment. These activities occur infrequently, generally only require portable engines for a matter of a few days, and often do not require use of portable engines at all or can be accomplished using smaller portable engines that are exempt from permitting per Rule 219(b)(1). However there are some activities that require engines that are large enough to require that they be regulated. In most cases these engines are regulated by the Statewide Portable Equipment Registration Program (PERP), in accordance with a voluntary registration. Examples of the types of activities that use PERP engines and for which a District regulatory process to operate in the OCS is required, include the following:

- Construction, maintenance, and repair projects that require portable engines to power equipment such as pumps, air compressors, hot water heaters, etc.



15-1

- Well drilling (construction) and workover (maintenance and repair) projects that require portable engines to power equipment such as power tongs, power swivels, well control equipment, cement pumps, centrifugal pumps, etc.

When portable engines that are not exempt from permitting requirements are needed, we currently must either locate an engine that already has a South Coast Various Locations Permit (which are not plentiful because it is not cost effective for rental equipment owners to permit their engines with local Districts in addition to maintaining a PERP registration) or – as we have been led to believe by the District - apply for such a permit even if the engine already has a current PERP registration and will be operated at the platform for less than 12 months. This significantly complicates the ability of OCS operators to procure vendors for these jobs, as well as increases the time, effort, and expense to projects without any corresponding benefit to air quality.

REGULATORY APPLICABILITY

We acknowledge that PERP engine registrations issued in accordance with the PERP regulation are not valid for use in the OCS and must be authorized for such use by the District. However, we believe the form of such authorization is not limited to the District’s issuance of a permit to operate. Adoption of District Rule 1183 acknowledges the unique conditions, both physically and from a regulatory perspective, of sources operating in the OCS. Delegation of authority per 40 CFR Part 55.11 as a Corresponding Onshore Area (COA) permitting authority allows the District to permit sources within existing applicable rules and regulations listed in 40 CFR Part 55 Appendix A. Specifically, we believe the District’s permitting authority for OCS sources includes the ability to authorize use of a PERP engine in the OCS via an explicit exemption from permitting requirements in Rule 219, a listed applicable rule in Appendix A. Further, note that air toxics rules in general, and District Rules 1401 and 1402 in particular, are not applicable to OCS sources [District Rules 1401 and 1402 are not listed in Appendix A].

New Source Review (NSR) provisions under Regulation XIII rules, also listed in Appendix A, define a Facility to include an outer continental shelf (OCS) source, as determined in 40 CFR Section 55.2, and states that “Sources or installations involved in crude oil and gas production in Southern California Coastal or OCS Waters and transport of such crude oil and gas in Southern California Coastal or OCS Waters shall be included in the same facility which is under the same ownership or use entitlement as the crude oil and gas production facility on-shore.” This suggests that OCS Waters sources permitted with the onshore facility sources, would also be subject to the same permitting provisions and exemptions, under the same ownership or use entitlement. Thereby an owner/operator would expect to have the same set of NSR provisions including BACT, applied to their onshore and offshore facilities.

Similarly, Regional Clean Air Incentives Market (RECLAIM) treats oxides of nitrogen (NOx) emissions from PERP engines at onshore facilities for the activities described above as exempt the reporting pursuant to the construction and maintenance exemptions of Rule 2012 Appendix A, Chapter 1. The District would agree that the applicability of NOx reporting under RECLAIM is not intended to differentiate between onshore and offshore activities that are otherwise the same.

15-1
cont.

PROPOSED REGULATORY PROCESS

Subjecting the intermittent use of PERP engines to stationary source permitting does not seem to us as a proportionate regulatory response for their allowed use. This is highlighted by the fact that this same equipment, used for the same activities, is categorically exempt from permitting requirements at onshore facilities, and whose NOx emissions not reported or otherwise offset under RECLAIM NSR rules.

As discussed during the December 6, 2016, conference call, Beta Offshore proposes that for OCS operators the District provide a regulatory process to authorize the use of PERP engines in the OCS via a streamlined permitting or, preferably, a simple notification process. Other regional air districts, specifically the Santa Barbara County Air Pollution Control District (APCD) and the Ventura County APCD have developed regulatory processes that would be acceptable to Beta Offshore. These are briefly described below:

- A temporary permit process, to streamline the process of obtaining authorization to operate a PERP engine in the OCS. This regulatory process is effectively used by the Ventura Air Pollution Control District, whose exemption from permitting requirements for PERP engines in its Rule 23(D)(9), is virtually identical to South Coast’s Rule 219(r)(1)]. VCAPCD Form APP001 is used for this purpose.
- A simple notification process used by the Santa Barbara Air Pollution Control District, whose exemption from permitting requirements for PERP engines in its Rule 202(F)(2) is virtually identical to South Coast’s Rule 219(r)(1), that authorizes the use of PERP engines in the OCS in lieu of requiring a permit. SBCAPCD Form 38P is used for this process.
- A simple notification process used by the South Coast Air Quality Management District to authorize the use of PERP equipment in State Territorial Waters. The SCAQMD form titled “State Territorial Waters (STW) Equipment Notification” is used for this purpose.

We believe these alternative processes are effectively serving the needs of both agency and operator in those instances and could be adapted or extended by South Coast to authorize the use of PERP engines in the OCS. An exemption from SCAQMD permitting requirements or an alternative authorization process such as those described above could include any conditions the District deems necessary and appropriate.

The SCAQMD Preliminary Staff Report provided during the March 2, 2017 Rule 219 amendment public workshop, recommended deferring consideration of changes to Rule 219 that would allow engines operating under statewide registrations to be exempt from being required to obtain an operating permit until CARB issues an amended Final Regulation Order for the PERP regulation that would “potentially satisfy the stakeholders’ request through implementation guidance rather than presumptively making changes to the exemption language in Rule 219. Staff has and will continue to monitor and coordinate with CARB on any amendments to the PERP regulation.” CARB clarified that their proposed revisions to

15-1
cont.

ATCM and PERP regulation, which are due to be heard by the Board during its March 2017 public hearing, entirely reflect revisions to the fleet average emission standards for DPM that would become effective 2017 through 2020 and in no way will address use of PERP equipment in the OCS. Therefore using the CARB rulemaking as a basis for deferring consideration of a PERP exemption under SCAQMD Rule 219 is not warranted.

Our suggestion, similar to the process utilized by SBCAPCD, is to require the operator of PERP equipment in the OCS to honor the conditions on the current PERP registration for the equipment in question. California registrations contain emission limits, operating conditions, and notification procedures. This would ensure that operation of a PERP engine in the OCS is in compliance with the conditions on the currently valid (though not in the OCS) PERP registration. This would provide OCS operators with the ability to use a PERP engine in the same manner and subject to the same conditions as operators of onshore oil and gas production facilities in the South Coast Basin and, thus, create a level playing field for industry. And this would eliminate the competitive disadvantage currently being experienced by OCS operators to invest time, effort, and money in a permitting process for situations where onshore operators have no permitting requirements.

We do not believe we are requesting anything that is not within the permitting authority of the District or requesting any consideration that operators of onshore oil and gas production facilities in the South Coast Basin don't already enjoy. Again, we are simply requesting the District's assistance with "leveling the playing field" for all oil and gas facility operators in the South Coast Basin.

Thank you for your consideration of these additional comments. OCS stakeholders would like to establish an agreed upon regulatory process for the occasional use of portable engines in the OCS at the District earliest convenience. We will contact you in the near future to request an opportunity to meet with appropriate District staff to further discuss the above options. In the meantime, please feel free to contact either Ms. Diana Lang of Beta Offshore via phone at 562-628-1526 or via e-mail at diana.lang@memorialpp.com or Mr. Scott Knight of DCOR, LLC via phone at 805-535-2066 or via e-mail at sknight@dcorllc.com.

Sincerely,


Diana Lang, HSE Manager, Beta Offshore


Scott Knight, ES&RC Manager, DCOR, LLC

15-1
cont.

Response to comment 15-1

Staff has incorporated the following language into Rule 219, paragraph (r)(2):

- (r)(2) *PERP registered engines used in the Outer Continental Shelf (OCS), provided that:*
- (A) *notification is submitted to the Executive Officer via submittal of a filing pursuant to Rule 222;*
 - (B) *the equipment shall not reside at one location for more than 12 consecutive months; and*
 - (C) *notwithstanding the exemption applicability under Health and Safety Code §2451 of the Statewide Portable Equipment Registration Program (PERP) for engines operating in the OCS, all operators using this permit exemption shall comply with PERP and with California Air Resources Board-issued registration requirements.*

In terms of procedure, under the staff proposal a facility operator will submit a registration under Rule 222 when a PERP engine is procured. The registration is effective upon submittal to the SCAQMD; no approval is required. The registration acts as the operator's notice of a start date of PERP equipment operating in the OCS to ensure that it does not exceed 12 months. There will be no technical evaluation regarding the PERP equipment.

Submittal of the Rule 222 registration acts as an immediate notification to the SCAQMD and does not require review. Staff is not proposing a 14-day notice, as other air agencies do. The registration is good until the rental unit is returned, but must not exceed 12 months, pursuant to the PERP Regulation. Registration is simply a notification mechanism and a verification that the engine used is a PERP engine.

The following comments are from Boeing – Comment Letter #16



The Boeing Company
4000 Lakewood Blvd
Long Beach, CA 90808

March 21, 2017

SCAQMD
21865 E. Copley Drive
Diamond Bar, CA 91765

ATTN: Tracy Goss
Planning & Rules Manager

Re: SCAQMD Rule 219 Proposed Amendments

Thank you for the opportunity to provide comments relating to the proposed amendments to SCAQMD Rule 219 (Equipment Not Requiring a Written Permit). Boeing requests that the following changes/clarifications be incorporated into the proposed amendments to the rule:

- With respect to the proposed language in (e)(8), request that the modified language (.1% by weight or more of chromium, nickel, cadmium or lead) not apply to oxygen gaseous fuel-cutting equipment. While emissions from plasma arc and laser cutting have been well characterized, Boeing has not been able to identify (in this short time frame) any testing and emission characterization that has been performed with respect to oxygen gaseous fuel-cutting equipment. This is the usual method of operation to perform maintenance and repair work where this type of cutting is necessary. Exemption language with respect to this type of operation should be retained.
- The proposed language in (f)(2) should be removed until such time as a more detailed study of these small abrasive blasting cabinets can be performed by industry and SCAQMD. These types of cabinets are normally used in the repair of older parts or repair and maintenance operations, where the chemical makeup of the underlying substrate or coating is not readily identified. In many cases, the only prudent course of action will be to permit each individual unit, as this would be the only method to assure compliance with District regulations.
- There are several categories in Rule 219 that are only applicable when no VOC is present in the material or process. Although a product or process by its very nature should contain no VOC (such as waxes or heavy oils), the product may contain some trace amount of VOC. The District should establish a de minimis value for VOC content for exemptions (l)(1) and (l)(2) of 20 g/l. This level is far below the District’s explicit value of 50 g/l in several exemptions.
- With respect to (p)(4)(H), the last sentence of the exemption (or any tank that contains chromium or contains nickel, lead or cadmium and is rectified, sparged or heated) appears duplicative of the language already contained in (p)(4)(F). If required, perhaps a better choice would be to incorporate the language in the very beginning of (p)(4) rather than at the end. Recommend same approach respect to (p)(5).

16-1



The Boeing Company
4000 Lakewood Blvd
Long Beach, CA 90808

Boeing looks forward to continuing to work with District staff in the development of the proposed amendments to SCAQMD Rule 219. If you should have any questions or require additional information, please do not hesitate to contact me.

Bill Pearce
Senior Environmental Engineer
Environmental Services
Environment, Health & Safety

Response to comment 16-1

See response to comment 1-2 and 1-3.


Regarding the request for a de minimis threshold of 20g/L for VOC content for waxes and heavy oils in paragraphs (l)(1) and (l)(2), this proposal was made late in the rule development process for fully evaluating the impacts of including it with the staff proposal. However, staff suggests that the commenter bring this issue forward for a subsequent rule development for Rules 219 and 222.

Regarding the language changes to paragraphs (p)(4) and (p)(5), staff agrees with the suggested language changes and has incorporated the comment.

**APPENDIX B: SAMPLE ANNUAL RECORD SUBMITTAL FORM FOR PRINTING,
COATING AND DRYING EQUIPMENT PURSUANT TO RULE 219 (h)(1)(E)(ii),
(1)(6)(F)(ii) or (1)(11)(F)(ii) IN LIEU OF REGISTRATION**

**APPENDIX B: SAMPLE ANNUAL RECORD SUBMITTAL FORM FOR PRINTING,
COATING AND DRYING EQUIPMENT**

The following form represents an example of the form to be developed for submittal of records in lieu of registration for printing, coating and drying equipment.

 South Coast Air Quality Management District Form LVM Low VOC Material Annual Verification		Mail To: SCAQMD P.O. Box 4944 Diamond Bar, CA 91765-0944 Tel: (909) 396-3385 www.sqmd.gov	
Complete one form per facility.			
Section A - Operator Information			
1. Facility Name (Business Name of Operator): _____ _____		2. Are you a new operator? <input type="radio"/> Yes <input type="radio"/> No If no, provide valid SCAQMD Facility ID: _____	
3. Owner's Business Name (if different from Business Name of Operator): _____			
Section B - Equipment Location Address		Section C - Business Mailing Address	
4. Equipment Location Is: _____ Street Address _____ CA _____ City _____ Zip _____ Contact Name _____ Title _____ Phone # _____ Ext. _____ Fax # _____ E-Mail: _____		5. Correspondence Information: <input type="checkbox"/> Check here if same as equipment location address Address _____ City _____ State _____ Zip _____ Contact Name _____ Title _____ Phone # _____ Ext. _____ Fax # _____ E-Mail: _____	
Section D - Equipment Information			
For facilities utilizing Rule 219 exemptions for all of the following categories; <ul style="list-style-type: none"> • Printing and reproduction equipment - Rule 219(h)(1)(E) • Coating and adhesive process equipment-Rule 219 (l)(6)(F), and • Drying Equipment-Rule 219 (l)(11)(F): The facility Responsible Official hereby verifies that for the calendar year 20____:(Check all that apply): <ul style="list-style-type: none"> <input type="radio"/> All inks, coatings, adhesives, fountain solutions, polyester resin and gel coat type materials, and associated VOC-containing solvents (excluding clean up solvents) used in this equipment contain fifty (50) grams or less of VOC per liter of material; and <input type="radio"/> All clean up solvents used in this equipment contain twenty five (25) grams or less of VOC per liter of material; and <input type="radio"/> The total quantity of VOC emissions from this equipment does not exceed one ton of emissions. Rule 109 Records, technical data sheets and other information are not required to be submitted, rather made available upon request.			
There are no fees associated with this submittal.			
Section E - Authorization/Signature <i>I hereby certify that all information contained herein and information submitted with this application are true and correct.</i>			
7. Signature of Responsible Official: _____		8. Title of Responsible Official: _____	
9. Print Name: _____		10. Date: _____	

ATTACHMENT I



South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178
(909) 396-2000 • www.aqmd.gov

SUBJECT: NOTICE OF EXEMPTION FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

PROJECT TITLE: PROPOSED AMENDED RULE 219 – EQUIPMENT NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II, AND PROPOSED AMENDED RULE 222 - FILING REQUIREMENTS FOR SPECIFIC EMISSION SOURCES NOT REQUIRING A WRITTEN PERMIT PURSUANT TO REGULATION II


Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the South Coast Air Quality Management District (SCAQMD) is the Lead Agency and has prepared a Notice of Exemption for the project identified above.

The proposed project is amending Rule 219 – Equipment not Requiring a Written Permit Pursuant to Regulation II, and Rule 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II. SCAQMD staff has reviewed the proposed project pursuant to CEQA Guidelines § 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA and CEQA Guidelines § 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA.

SCAQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Therefore, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines § 15061(b)(3) – Activities Covered by General Rule. A Notice of Exemption has been prepared pursuant to CEQA Guidelines § 15062 - Notice of Exemption. If the proposed project is approved, the Notice of Exemption will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

Any questions regarding this Notice of Exemption should be sent to Sam Wang (c/o Planning, Rule Development and Area Sources) at the above address. Mr. Wang can also be reached at (909) 396-2649. Mr. Robert Gottschalk is also available at (909) 396-2456 to answer any questions regarding the proposed amended rules.

Date: April 19, 2017

Signature: 
Barbara Radlein
Program Supervisor, CEQA Section
Planning, Rules, and Area Sources

NOTICE OF EXEMPTION

To: County Clerks Counties of Los Angeles, Orange, Riverside and San Bernardino	From: South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765
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Project Title: Proposed Amended Rule (PAR) 219 – Equipment not Requiring a Written Permit Pursuant to Regulation II, and Proposed Amended Rule (PAR) 222 – Filing Requirements for Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II.

Project Location: The SCAQMD has jurisdiction over the four-county South Coast Air Basin (all of Orange County and the non-desert portions of Los Angeles, Riverside and San Bernardino counties), and the Riverside County portions of the Salton Sea Air Basin (SSAB) and Mojave Desert Air Basin (MDAB). The SCAQMD’s jurisdiction includes the federal nonattainment area known as the Coachella Valley Planning Area, which is a sub-region of Riverside County and the SSAB.

Description of Nature, Purpose, and Beneficiaries of Project: PAR 219 proposes to exempt the following equipment and/or processes from the requirement to obtain a SCAQMD permit because they emit very small levels of criteria pollutants and have minimal toxic emission profiles: engines at remote 2-way radio towers fueled with liquefied propane gas or compressed natural gas; sub-slab ventilation systems; passive carbon filter odor control of food waste slurry storage tanks; hand-held plasma-arc cutting and laser cutting equipment; separation/segregation of plastic materials for recycling without cutting, shredding, grinding, or odors; certain coffee roasting equipment; small batch breweries; and equipment used for dehydrated meat manufacturing. In addition, PAR 219 proposes to remove existing exemptions for the following equipment and/or processes because they have the potential to emit criteria pollutants at greater than de minimis levels, emit toxic air contaminants of concern, or create a nuisance: cutting of stainless steel and alloys containing toxics; portable asphalt recycling equipment; greenwaste shredding or grinding; separation/segregation of plastic materials that involves cutting, shredding, grinding or odors; recycling of expanded polystyrene; equipment used for cleaning of diesel particulate filters; certain surface preparation tanks with toxic emissions; certain plating, stripping or anodizing tanks with toxic emissions; and paper, carpet, and fabric recycling operations. PAR 219 also includes minor clarifications and editorial corrections for food oven combustion equipment, fuel cells, charbroilers, barbeque grills and other underfired grills, VOC-containing liquid storage and transfer equipment, quench tanks for heat treating operations, pavement striping, and certain printing, coating and drying operations. PAR 222 proposes to add the following equipment to the SCAQMD Rule 222 filing program in lieu of requiring a written SCAQMD permit because they have been identified as small sources of emissions: industrial cooling towers located in a chemical plant, refinery or other industrial facility; natural gas transfer pumps and natural gas repressurization equipment; and engines registered under the statewide Portable Equipment Registration Program (PERP) used in the Outer Continental Shelf (OCS). Storage tanks of aqueous urea solutions and certain natural gas and crude oil production equipment are proposed to be exempted in PAR 219 but to be included in PAR 222 filing program.

Public Agency Approving Project: South Coast Air Quality Management District	Agency Carrying Out Project: South Coast Air Quality Management District
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Exempt Status: CEQA Guidelines § 15002(k) - General Concepts (Three Step Process) and CEQA Guidelines § 15061(b)(3) – Activities Covered by General Rule

Reasons why project is exempt: SCAQMD staff has reviewed the proposed project pursuant to CEQA Guidelines § 15002(k) – General Concepts, the three-step process for deciding which document to prepare for a project subject to CEQA, per CEQA Guidelines § 15061 – Review for Exemption, procedures for determining if a project is exempt from CEQA. SCAQMD staff has determined that it can be seen with certainty that there is no possibility that the proposed project may have a significant adverse effect on the environment. Thus, the project is considered to be exempt from CEQA pursuant to CEQA Guidelines § 15061(b)(3) – Activities Covered by General Rule. A Notice of Exemption (NOE) has been prepared pursuant to CEQA Guidelines § 15062 - Notice of Exemption, and if the project is approved, the NOE will be filed with the county clerks of Los Angeles, Orange, Riverside and San Bernardino counties.

Date When Project Will Be Considered for Approval (subject to change):
SCAQMD Governing Board Hearing: May 5, 2017; SCAQMD Headquarters

CEQA Contact Person: Mr. Sam Wang	Phone Number: (909) 396-2649	Email: swang1@aqmd.gov	Fax: (909) 396-3982
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Rules Contact Person: Mr. Robert Gottschalk	Phone Number: (909) 396-2456	Email: rgottschalk@aqmd.gov	Fax: (909) 396-3324
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Date Received for Filing: _____	Signature: _____ <i>(Signed Upon Board Approval)</i> Barbara Radlein Program Supervisor, CEQA Section Planning, Rule Development & Area Sources
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Proposed Amended Rules 219 and 222

Governing Board Meeting

May 5, 2017

Background

- ▶ Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II
 - ▶ Identifies exempt equipment
 - ▶ Low actual or potential to emit regulated air pollutants
 - ▶ Will not trigger Rule 1401 (toxics permitting)
 - ▶ Readily demonstrates compliance with SCAQMD rules
 - ▶ Includes multiple source categories of equipment
- ▶ Rule 222 - Filing Requirements For Specific Emission Sources Not Requiring a Written Permit Pursuant to Regulation II
 - ▶ Provides an alternative to written permits
 - ▶ Equipment must be exempt per Rule 219 [PAR 219(r)(4)]

Proposal

▶ PAR 219

- ▶ 7 equipment/process categories exempt from permit due to low criteria pollutant and/or toxic emissions
- ▶ 10 equipment/processes categories will require permit due to criteria pollutants, toxics, or potential for public nuisance to ensure compliance with all applicable rules

▶ PAR 222

- ▶ 4 equipment/process categories added to the registration program

Issues Addressed by Staff

- ▶ Onset of rulemaking: over 40 requests for rule clarifications and new exemptions
 - ▶ 16 additional proposals received from stakeholders
- ▶ Staff addressed many stakeholder issues during rulemaking
 - ▶ Resolution commitment to address replacement of VOC vapor control technology under an exemption (vapor socks on floating roof tanks)
- ▶ Outstanding issue after working with all stakeholders
 - ▶ Exemption for UV/EB/LED materials

Proposed Permit Exemption for UV/EB/LED and Other Low VOC Technologies

- ▶ Industry comments Rule 219 provisions for UV/EB/LED technologies are difficult for small businesses
- ▶ Permit not required if:
 - ▶ Using materials <50 g/L and clean-up solvents <25 g/L; and
 - ▶ Total quantity of VOCs used is <1 tpy (~5.5 lbs/day)
 - ▶ Two options:
 - ▶ Option 1: Annual Rule 222 Registration (~\$200) or
 - ▶ Option 2: Annually submit low-VOC verification - Simplified VOC verification form, no fee
- ▶ Technology neutral approach and no fee option is an additional compliance option
 - ▶ Additional threshold recognizes low-VOC technology
 - ▶ Provides an incentive for low-VOC technologies
- ▶ Both options provide ability to verify compliance

South Coast Air Quality Management District
Form LVM
Low VOC Material Annual Verification

Mail To:
SCAQMD
P.O. Box 4844
Diamond Bar, CA 91765-0944
Tel: (909) 596-3385
www.scaqmd.gov

Complete one form per facility.

Section A - Operator Information

1. Facility Name (Business Name of Operator):
2. Are you a new operator? Yes No
3. Owner's Business Name (if different from Business Name of Operator):
if no, provide valid SCAQMD Facility ID.

Section B - Equipment Location Address

4. Equipment Location is:
Street Address _____ CA _____
City _____ Zip _____
Contact Name _____ Title _____
Phone # _____ Ext. _____ Fax # _____
E-Mail: _____

Section C - Business Mailing Address

5. Correspondence information:
 Check here if same as equipment location address
Address _____
City _____ State _____ Zip _____
Contact Name _____ Title _____
Phone # _____ Ext. _____ Fax # _____
E-Mail: _____

Section D - Equipment Information

For facilities utilizing Rule 219 exemptions for all of the following categories:
• Printing and reproduction equipment - Rule 219(h)(1)(E)
• Coating and adhesive process equipment-Rule 219 (l)(6)(F), and
• Drying Equipment-Rule 219 (l)(11)(F).

The facility Responsible Official hereby verifies that for the calendar year 20_____(Check all that apply):
 All inks, coatings, adhesives, fountain solutions, polyester resin and gel coat type materials, and associated VOC-containing solvents (excluding clean up solvents) used in this equipment contain fifty (50) grams or less of VOC per liter of material; and
 All clean up solvents used in this equipment contain twenty five (25) grams or less of VOC per liter of material; and
 The total quantity of VOC emissions from this equipment does not exceed one ton of emissions.

Rule 109 Records, technical data sheets and other information are not required to be submitted, rather made available upon request.

There are no fees associated with this submittal pursuant to Rule 219 (u)(8).

Section E - Authorization/Signature I hereby certify that all information contained herein and information submitted with this application are true and correct.

7. Signature of Responsible Official: _____ 8. Title of Responsible Official: _____
9. Print Name: _____ 10. Date: _____

© South Coast Air Quality Management District, Rule 109 Summary Report (2017.03) Page 1 of 1

Staff Recommendation

- ▶ Determine proposed amendments to Rules 219 and Rule 222 are exempt from requirements of CEQA
- ▶ Amend Rule 219
- ▶ Amend Rule 222